



SIXTH NATIONAL ASSEMBLY

PARLIAMENTARY

DEBATES

(HANSARD)

FIRST SESSION

TUESDAY 15 SEPTEMBER 2015

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Members

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MAURITIUS

Sixth National Assembly

FIRST SESSION

Debate No. 30 of 2015

Sitting of 15 September 2015

The Assembly met in the Assembly House, Port Louis at 11.30 a.m.

The National Anthem was played

(Madam Speaker in the Chair)

ANNOUNCEMENT**PUBLIC ACCOUNTS COMMITTEE - HON. F. QUIRIN - NOMINATION**

Madam Speaker: Hon. Members, I have to inform the House that the Committee of Selection met under my Chairpersonship today and has nominated the honourable Jean Patrice France Quirin, MP, to serve on the Public Accounts Committee in replacement of the honourable Jean-Claude Barbier, MP, who resigned from the Committee on 02 September 2015.

PAPERS LAID

The Prime Minister: Madam Speaker, the Papers have been laid on the Table –

A. Prime Minister's Office –

- (a) Certificate of Urgency in respect of the Public Holidays (Amendment) Bill No. XIV of 2015). (In Original).
- (b) The Civil Aviation (Hadj 2015 Pilgrims) (Exemption) Order 2015. (Government Notice No. 171 of 2015).

B. Ministry of Industry, Commerce and Consumer Protection –

- (a) The Consumer Protection (Control of Imports) (Amendment No. 3) Regulations 2015. (Government Notice No. 169 of 2015).
- (b) The Consumer Protection (Importation and Sale of Second-hand Motor Vehicles) (Amendment) Regulations 2015. (Government Notice No. 170 of 2015).
- (c) The Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment) Regulations 2015. (Government Notice No. 172 of 2015).

- (d) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 22) Regulations 2015 (Government Notice No. 173 of 2015).
- (e) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 23) Regulations 2015 (Government Notice No. 174 of 2015).

ORAL ANSWERS TO QUESTIONS

STC - DIESEL & GASOLINE - PRICE

The Leader of the Opposition (Mr P. Bérenger) (*by Private Notice*) asked the Minister of Industry, Commerce and Consumer Protection whether, in regard to the State Trading Corporation, he will, for the benefit of the House, obtain therefrom, information as to -

- (a) in regard to diesel and gasoline -
 - (i) the amount of money contributed into the Build Mauritius Fund in 2014 and estimated to be contributed thereinto for 2015, and
 - (ii) if the local price thereof will be lowered by 10 rupees per litre being given that world oil prices have collapsed by 60% since June 2014 and resulted in price reductions worldwide, and
- (b) its surplus for the year 2014 and for the period January-June 2015 respectively, indicating its accumulated reserves.

Mr Gungah: Madam Speaker, with your permission, I shall reply to the PNQ and PQ B/491 together as they relate to the same subject matter.

Madam Speaker, as regards part (a)(i) of the PNQ, I am informed by the State Trading Corporation that the total amount of money contributed into the Build Mauritius Fund in 2014 was Rs339,550,030. The estimated contribution into the Build Mauritius Fund for January to December 2015 is Rs1,363,615,334.

As regards part (b) of PQ B/491, I am informed that the total amount of money collected for the Build Mauritius Fund for the period January 2014 to August 2015 was Rs1,121,165,364.

As regards part (a)(ii) of the PNQ, since June 2014 to date, the Platts price of mogas has decreased from 1,021.32 US\$ per metric tonne to 519.22 US\$, that is, a decrease of 502.10 US\$, representing 49.16%.

Regarding gas oil, the Platts price has decreased from 118.76 US\$ per barrel to 59.05 US\$, that is, a decrease of 59.71 US\$, representing 50.28%.

From August 2014 to December 2014, there have been three decreases in the retail price of mogas and gas oil amounting to a total of Rs6.30 and Rs6.15 per litre respectively.

In January 2015, the item “Contribution to the Build Mauritius Fund” in the price structure of both mogas and gas oil was increased from Re1 to Rs4 per litre in order to cater for the financing of works related to the water distribution network so as to provide a more regular water supply to the population. The item “Contribution to Rodrigues transportation and storage” was also increased from 5 cents to 16 cents per litre so as to subsidise the increasing cost of freight and other related costs to maintain the price of petroleum products, LPG, cement, ‘ration’ rice and flour at par with those prevailing in Mauritius.

Had the contribution to the Build Mauritius Fund remained at Re1 per litre on both mogas and gas oil, and the contribution to Rodrigues Transportation and Storage not been increased by 11 cents, there would have been a decrease of Rs3.40 and Rs3.45 per litre for mogas and gas oil respectively. Accordingly, the total decreases in the prices of mogas and gas oil would have amounted to Rs9.70 and Rs9.60 respectively.

Madam Speaker, as regards part (a) (ii) of PQ B/491, the different components of the price of mogas and gas oil comprise, *inter alia* -

- Platts Reference price;
- Insurance;
- Freight;
- Excise duty;
- *Maurice Ile Durable* levy;
- Contribution to Road Development Authority;
- Contribution to Rodrigues transportation and storage;
- Contribution to the Build Mauritius Fund;
- Contribution to subsidy on LPG, Flour and Rice;
- STC’s operational expenses;

- Oil Companies' operational expenses and wholesale margin;
- Retail margin (Filling station's margin) and
- Value Added Tax.

I am tabling a copy of the price structure listing down the quantum of its different components per litre, as they stood at 05 September 2015.

Madam Speaker, I would have wished that the price of mogas and gas oil to have decreased further for the benefit of one and all. However, the Consumer Protection (Control of Price of Petroleum Products) Regulations 2011 regulate the functioning of the Petroleum Pricing Committee and has set up thresholds to be observed for any revision in the prices, be it for increase or decrease purposes.

In January 2014, only the thresholds of the petroleum pricing mechanism were reviewed to calculate increase or decrease in prices. They were changed from a range of 5% to 15% for an increase to 4% to 10% - the range - and for a decrease from the range of 7% to 10% to the range of 4% to 10%.

Moreover, the Reference price is calculated based on a twelve-month average Platts price comprising of six months actual and six months future prices.

I have, therefore, set up a Technical Committee to review the current petroleum pricing mechanism. The Committee comprises representatives of my Ministry, the Ministry of Finance and Economic Development and the State Trading Corporation, and has already started its workings.

I have requested the Technical Committee to review that element of threshold as well as others of the Petroleum Pricing Mechanism. I am confident that the new mechanism that will be worked out by the Technical Committee will allow the decrease in prices of petroleum products to be passed on to consumers while at the same time be able to contain rise in prices when this situation crops up, the more so that the price of petroleum products is volatile and fluctuates daily.

Madam Speaker, as a responsible Government, we should not only look at the current situation but we should also plan for the future and not be taken by surprise.

I want to achieve a win-win situation, that is, decrease in prices is passed on reasonably to the consumer while not putting at stake or jeopardising the finance of the STC. The supply and pricing of petroleum products is one of national interest. To open "a

parenthèse”, this is the very basis which prompted the new Government to take amongst its first decisions, the doing away of the services of Betamax Ltd. for the transport of our petroleum products.

Madam Speaker, regarding part (b) of the PNQ, I am informed by the STC that its surplus for the year 2014 was Rs442 m., and the surplus for the period January to June 2015 is Rs428 m. The accumulated reserves of the STC as at 30 June 2015 stood at Rs2.05 billion. An amount of Rs1.45 billion has been earmarked by the STC for remittance as dividends to the Consolidated Fund in financial year 2015-2016 for Government to implement projects in its Public Sector Investment Programme.

I wish to inform the House that with the decrease in world prices of LPG, the amount of subsidy required has decreased for the period January to June 2015 compared to the year 2014. Consequently, the amount required to maintain prices of LPG on the local market has decreased. Hence, the increase in accumulated reserves for the STC for the six months' period.

Mr Bérenger: If I heard the hon. Minister rightly, I think the figure into the Build Mauritius Fund is Rs1,350,000,000, but, here, in the House on 10 February 2015, he, himself, said that it would be Rs1,800,000,000. Now, we are told that it will be Rs1,350,000,000, which is a lot of money. Can I be made to understand why this change?

Mr Gungah: The change is due to the fact that when the retailers, that is, the filling stations sell their products, it is not a fixed figure that is being sold in terms of litres and it varies daily.

Mr Bérenger: As far as accumulated reserves are concerned, we have been told that the STC has accumulated reserves of more than Rs2 billion. Now, I take it that the profit that the STC is making is - apart from Rs1,350,000,000 that will be taken out of consumers' pockets - millions of profit on trade in diesel and *essence* generally. Can we know whether any sum from the STC - because we have been told that there is an earmarked sum that will be transferred to the Consolidated Fund - has today been transferred since the beginning of the year to the Consolidated Fund or to any other funds Government-controlled?

Mr Gungah: According to information I have, Madam Speaker, there is no profit on sale of mogas and gas oil. Concerning the amount that is to be transferred, it has not yet been transferred. It is going to be transferred, that is, the amount of some Rs1.5 billion.

Mr Bérenger: Are we being told that with the drop in the price of oil products, the STC is not making any profit on diesel and *essence*? Is that the correct answer?

Mr Gungah: It should not be labelled as 'profit' because the amount is used to fund projects and other developments.

Mr Bérenger: Then, Madam Speaker, by whatever name is called surplus, profit or what have you ...

(Interruptions)

...has millions been transferred to other funds, either the Consolidated Fund or other funds apart, of course, from the Build Mauritius Fund?

Mr Gungah: In fact, the sum that has been accumulated, it is the surplus for several years, Madam Speaker, which has amounted to Rs2.05 billion. It is not the surplus of the last eight months; it is a surplus that has been accumulated since several years.

Mr Bérenger: I want to get that clear. So, what is being taken out of the pocket of consumers is not only more than Rs1 billion contributed to the Build Mauritius Fund, but also millions that are being called profits or surplus or what have you that are being transferred to the Consolidated Fund.

Mr Gungah: The STC sells petroleum products and this generates fund for the Government, revenues for the Government, and these revenues are at the service of the Government to implement projects and we have a list of priorities...

(Interruptions)

...like among others the Water Supply Project.

Mr Bérenger: Madam Speaker, reference has been made to Betamax and only last week the hon. Minister told us that STC has saved Rs2 billion, R 2 *milliards*, over the period of the agreement that has been ended. Can I know the impact - since the beginning of the year, since January, when Betamax has been done away with - on the price, that is - the hon. Minister has worked out that over the period of the agreement; Rs2 billion have been saved since February - has it been worked out how much per litre the STC is paying less for freight?

Mr Gungah: The STC is definitely paying less on freight and the Rs2 billion which I mentioned is for the period of 15 years, Madam Speaker.

Mr Bérenger: I said that the period of the agreement - different papers, *les petits papiers*. I put my question again: Has it been worked out how much that saving – if we call it that – by STC translates in terms of rupees per litre and should not at least the price of diesel and *essence* been brought down by that amount? At least!

Mr Gungah: I said, Madam Speaker, in fact, there is the Consumer Protection (Control of Prices of Petroleum Products) that regulates the functioning of the Petroleum Pricing Committee and now that I have set up a technical committee to review the structure, as I just mentioned, the range for the calculation of the petroleum products and also, the twelve months average Platts reference price, we are going to take into consideration all these factors.

(Interruptions)

It is only eight months, Madam Speaker, that we are in Government and we have started making savings and these savings will be definitely *répercutés* on the population in general in different ways.

(Interruptions)

Mr Bérenger: I referred to June because June 2014 was the peak. Is the hon. Minister aware that the price has gone down since that peak from USD115 to less than USD50? It has just gone below USD45. Since the last increase – because he gave figures about the increases under the former Government – in December, is the hon. Minister aware that prices have gone down by 30%? And, therefore, Madam Speaker, that justified why the then coalition, hon. Xavier Duval promised Rs10 of decrease per litre. It was made an electoral promise. With figures like that, why has not the price of diesel and *l'essence* gone down by Rs10 as promised?

(Interruptions)

Madam Speaker: Hon. Shakeel Mohamed, please!

(Interruptions)

Mr Gungah: Madam Speaker, I clearly explained that we are bound by the Petroleum Pricing Committee, the mechanism that is in place right now. That is the reason why we could not bring any reduction in the price of petroleum products, be it diesel or *essence* and now that the new committee is working to review the price structure, the formula will be different and I am sure with the new formula, that is going to come out very soon, the price

fluctuation, be it increase or decrease, will be clearly *répercuté* on the population and everything will be done in the interest of the population.

(Interruptions)

Madam Speaker: Hon. Jhugroo, please!

Mr Bérenger: I am sure I can ask the hon. Minister. He must be aware that that formula...

(Interruptions)

Shame! I am sure the hon. Minister is aware that that formula worked out by the previous Government was designed so that when there are increases, it does not reflect in any decrease because it has no *effet rétroactif*. It worked out on a given period of time, one after the other, but not looking onto the past, that is, it is accumulated money out of the pockets of the consumers. So, can I ask the hon. Minister, now that he has discovered *l'Amérique* – it is not Godsend that formula; it was worked out by the previous Government to deprive consumers of their due.

(Interruptions)

Can I know whether...

(Interruptions)

Of course, everybody knows that! Except you apparently until now...

(Interruptions)

Madam Speaker: Order, please!

Mr Bérenger: ... you set up a committee! Everybody knows that!

(Interruptions)

Madam Speaker: Order! Hon. Jhugroo, please!

Mr Bérenger: Can I know whether the formula will be backdated? Because all this money has been coming out of the pockets of the consumers.

Mr Gungah: Madam Speaker, the existing formula...

(Interruptions)

Madam Speaker: Hon. Rutnah, please!

Mr Gungah: The existing formula, up to now, has saved consumers a lot of money because there was a period which lasted for almost 23 months where prices were increasing in the world market. Here, we managed to stabilise it without any increase and there was another period for 17 months in which we were in the same situation.

(Interruptions)

Madam Speaker: Order, please!

Mr Gungah: This new formula on which we are working...

(Interruptions)

Madam Speaker: Would you allow the hon. Minister to reply, please!

(Interruptions)

Some order!

Mr Gungah: This new formula on which we are working will take into consideration what the Petroleum Pricing Committee has been doing, that is, keep the price stable as far as we can, but, at the same time, when there is a decrease like we are having right now on the world market, it is repercutated on the consumers.

Mr Bérenger: Can we have a time frame within which....

(Interruptions)

Madam Speaker: No cross-talking, please!

Mr Bérenger: Can we have a time frame within which that new formula will be worked out? Is he aware that formula or no formula, all around us, since 01 September - India, Reunion Island next door, last Monday Seychelles - prices of diesel and *l'essence* have been going down regularly except here because of a formula that is discovered now to be inadequate? Therefore, can I know within which time frame that formula is going to be worked out and whether it will have *effet rétroactif*?

Mr Gungah: The time frame will be approximately one month, Madam Speaker, but it won't be *rétroactif*. My reply is to the other part of the question that the hon. Leader of the Opposition asked, that is, comparison with other countries, I think, we should take note that Mauritius is one of the few countries where the prices of gasoline and gasoil are low compared to many other countries. I can give examples, Madam Speaker. For example, the price of gasoline in Mauritius is 1.23 USD per litre compared to Seychelles

where it is 1.25 USD, Zambia: 1.25 USD, Comoros: 1.42 USD, France: 1.50 USD, Malawi: 1.48 USD, United Kingdom: 1.72 USD.

(Interruptions)

Madam Speaker: Order, please!

Mr Gungah: The list is long; I can go on, Madam Speaker. It is the same for the price of gas oil which, in Mauritius, is 0.95 USD per litre compared to Seychelles which is 1.09 USD, compared to France where it is 1.22 USD. And in France, we all know, they have got a stockage capacity, they have got a refinery. Here, in Mauritius, we have neither stockage capacity nor refinery. We have to import the product. That's why we are working to make Mauritius a petroleum hub in order to have capacity of storage so that even if there is price fluctuation, the price at which we have bought the product, will be sold to the consumers.

Mr Bérenger: The hon. Minister has quoted a number of countries. Can he tell me how many times prices have gone down in those countries since January of this year? Can he give us this information?

Mr Gungah: Madam Speaker, even if there have been several decreases or I don't know how many decreases, the price is still higher than in Mauritius.

Mr Mahomed: I do know if the hon. Minister has tabled a paper regarding the structure. My question is as follows: under *Maurice Ile Durable*, may I know from the hon. Minister what has been the amount that has been collected in 2014 and forecasted to be collected in 2015 and whether the sum that is being collected is being consolidated or channelled to sustainable development projects as originally designed?

Mr Gungah: Madam Speaker, the amount that has been collected in the MID Levy for the year 2014 is Rs123 m. and for the year 2015, it is the same amount, that is, Rs123 m. As far as how this amount has been spent, unfortunately, Madam Speaker, the MID Levy does not fall under the purview of my Ministry and it will be presumptuous for me to give more details on that.

Mr Uteem: The hon. Minister is saying that now he is going to review the structure, but, as far back as 10 February 2015, in this very House, when I asked him to do the same thing, this is what he replied –

“I propose to consult my colleague, the hon. Minister of Finance and Economic Development on the possibility of reviewing the price structure for Mogas and Gas Oil.”

That was as far back as February. So, may I know from the hon. Minister why, after 7 months, he still has not done any structures?

Mr Gungah: Madam Speaker, I had several consultations with the Vice-Prime Minister and Minister of Finance and Economic Development, but we should not forget that the price of petroleum products is very volatile. We have been studying the case since that period and we have achieved results as they are now and that is why a decision has been taken. It is true, I do not deny the fact that prices have been decreasing, but, because of the mechanism that is in place right now, we are not being able to pass it on to the consumers. But now, that the Committee has been set up, and it is a Committee that is working very seriously on that, it is going to come with recommendations, that will be discussed in the Government and I am sure that any change, be it increase or reduction – and I prefer it is reduction always – will be passed on to the consumers.

Mr Mohamed: The hon. Leader of the Opposition has asked a very important question, I would like to recap from there. The hon. Minister says there has been a lot of savings made following the Betamax cancellation of their contract. The question is not what is the price of freight, because this is one element of the equation - the price of freight. The question is: what is the reduction or the saving made per litre? This is a question that the hon. Minister has been avoiding; not the freight, but per litre.

Mr Gungah: Madam Speaker, let me, first of all, say one thing. At least, in this Government, STC is making profits whereas in the previous Government, we all know the losses that were accumulated with hedging and others.

(Interruptions)

To reply...

Madam Speaker: Order, please!

(Interruptions)

Order! Hon. Jhugroo, please!

Mr Gungah: To reply to the hon. Member...

(Interruptions)

Madam Speaker: Hon. Jhugroo, please!

Mr Gungah: To reply to the hon. Member who is talking about freight that we are paying less, I wish to inform the House that the freight on Mogas, for example, represents 1.5% of the retail price and for Gas Oil, it is 2% of the retail price. Now...

Madam Speaker: Hon. Mohamed, you have asked the question; allow the hon. Minister to reply, please!

(Interruptions)

Allow him to reply!

Mr Gungah: Now, Madam Speaker, I just said that since we took Government, the STC is making profit, we don't deny about that.

(Interruptions)

Madam Speaker: Hon. Mohamed, please!

Mr Gungah: STC is making profit and we are in the process of distributing this profit...

(Interruptions)

But the Committee that is going to be set up will take all these factors into consideration to get the price per litre.

(Interruptions)

Madam Speaker: Hon. Mohamed, I am drawing your attention once more. If you have a question to ask, you will stand up; I will give you the opportunity, you will stand up and ask the question.

(Interruptions)

No, not now!

(Interruptions)

Hon. Mohamed, last time! Last time I am drawing your attention to it.

(Interruptions)

Yes, hon. Bhagwan!

Mr Bhagwan: Madam Speaker, can the hon. Minister confirm to the consumers, the country and the nation that duty, levies and taxes on the importation price represent 177% that the consumers are being asked to pay and no other country in the world has such a heavy rate of taxes? Can the hon. Minister, at least, honestly inform the House that this Government has been fleecing the consumers?

(Interruptions)

Honestly!

(Interruptions)

Ine coquin consommateurs!

Mr Gungah: This percentage of tax had already been existing for years and years. I repeat and repeat and repeat again!

(Interruptions)

The Committee that has been set up is going to look into all these elements!

(Interruptions)

Madam Speaker: Order, please!

(Interruptions)

Would you allow the Minister to reply or you don't want him to reply?

Mr Gungah: Maybe the hon. Member wants to eat some pizza!

(Interruptions)

Madam Speaker: Hon. Bhagwan!

(Interruptions)

Hon. Bhagwan!

(Interruptions)

Hon. Bhagwan, I am on my feet!

(Interruptions)

Can I have some order in the House!

(Interruptions)

I am on my feet, please!

(Interruptions)

Hon. Bhagwan! Please, Minister!

(Interruptions)

You can't imply me in any debate or any discussion, you are a seasoned politician and you know that!

(Interruptions)

Hon. Jhugroo!

Mr Gungah: Madam Speaker, this tax has been existing for years and I said it, with the new mechanism that is going to come very soon all these will be taken into consideration, if need be. But, we have to be responsible. We are a responsible Government. We have to take decisions in the interest of the public and I am sure, once the Committee has given its recommendations and once the Government has taken the decision that should be taken, everything will be done in the interest of the population.

(Interruptions)

Madam Speaker: Hon. Ganoo!

Mr Ganoo: In view of the CIF price of one litre of mogas which is about Rs16.20 and the amount finally sold to the consumers which is about Rs46.00, representing about 175%, in view of the specific price structure prevailing in the country, can I ask the hon. Minister whether isn't it time for representatives of the Consumer Organisation to form part of the Price Mechanism Committee or the Technical Committee which is going to be set up to review the structure and the mechanism?

Mr Gungah: Madam Speaker, right now, the Committee comprises of members from my Ministry, from the Ministry of Finance and Economic Development and the State Trading Corporation. I will welcome anybody who has got brilliant ideas, be it from the civil society or from the Opposition, to send me their recommendations and, if need be, I am ready to meet them to discuss about this and, if their proposals are correct, we will take them on board.

Madam Speaker: Hon. Leader of the Opposition!

(Interruptions)

No! Time will be over! The last question is for the hon. Leader of the Opposition!

(Interruptions)

Please, sit down!

(Interruptions)

Sit down! I have given the floor to the hon. Leader of the Opposition for his last question!

(Interruptions)

Time permitting! No! I decide! You don't decide for me!

(Interruptions)

Hon. Leader of the Opposition!

(Interruptions)

Mr Bérenger: Well, of course, we know that the Minister has chosen to reply to the Private Notice Question and the Parliamentary Question at the same time and there is no limit as far as the Parliamentary Question time is concerned. Therefore, can I appeal to the Chair to allow a last supplementary question?

Madam Speaker: Hon. Leader of the Opposition, I have given additional time so that the Parliamentary Question also may be replied at the same time. So, I have already given additional time and time permitting, I give the opportunity to everybody to ask questions and I have given everybody in turn. The floor is yours, hon. Leader of the Opposition for the last question!

(Interruptions)

Mr Bérenger: My last question will, therefore, unfortunately have to be, being given the crash in prices, not volatility, from US\$115 to today US\$45, being given secondly, the billions of profits made by the STC, and thirdly, being given the promise of a Rs10 decrease during the electoral campaign - rightly promised - being given all this, will the Minister agree with me that bringing down the price of diesel by a meager Rs2 and keeping the price of *l'essence* as it is, is nothing but a provocation and that, therefore, consumers can be expected to benefit from that new formula as soon as possible?

Mr Gungah: Madam Speaker, when the hon. Leader of the Opposition is talking about crash in prices, I don't know whether he is referring to crude oil or to the Brent or the

Platts price. Because, from the crude there is a procedure for refinery and transport and the price that is quoted by Platts is not the same as crude.

As far as the second part of the question of the hon. Leader of the Opposition is concerned, I said that the Committee is working and is going to come out with recommendations and I welcome all hon. Members of the National Assembly. If they want to share their ideas they can meet me personally. I say it loud and clear, Madam Speaker, with the new formula that is going to be worked out, any reduction that is going to occur on the world market will be passed on to the consumers because right now, with the system that is prevailing, unfortunately, we can't do that. With the system that exists at present, two factors mainly affect consumers. But there are also advantages of the present system because as I said, for almost 23 months while there was an increase on the world market, the price was stable in Mauritius and even for a period of 17 months - I don't remember the date exactly, it was, I think, in 2013. But with the new system, I can assure the House, the hon. Members and the population in general that any reduction will be passed on to the consumers.

Madam Speaker: Time is over! Hon. Members, the Table has been advised that Parliamentary Question No. B/482, in regard to the setting up of a Land and Monitoring Research Unit, addressed to the Rt. Hon. Prime Minister, will now be replied by the hon. Deputy Prime Minister, Minister of Tourism and External Communications. Parliamentary Question No. B/478 has been withdrawn. Yes, hon. Bhagwan!

POLICE RIDERS – VVIPS & DIGNITARIES - SERVICES

(No. B/473) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Police Riders, he will, for the benefit of the House, obtain from the Commissioner of Police –

- (a) information as to –
 - (i) if there has been a change in the policy for the allocation of the services thereof, since January 2015 to date and, if so, indicate the reasons therefor;
 - (ii) the grade of officers attached thereto;
 - (iii) the official posting thereof within the Mauritius Police Force, and

- (b) the personalities who are entitled to the services thereof, indicating in each case, the number thereof attached thereto.

The Prime Minister: Madam Speaker, as regards part (a) (i) of the question, I am informed by the Commissioner of Police that there is, as such, no policy governing the allocation of services of Police riders to VVIPs and dignitaries.

However, it has been a long-standing practice for Police riders to form part of the *cortège* of the President of the Republic of Mauritius, the Vice-President of the Republic of Mauritius, the Prime Minister, the spouse of the Prime Minister and the Deputy Prime Minister, with a view to ensuring safe movement of these VVIPs and a flawless security *en route*.

Additionally, such security facilities are extended to personalities, both local and foreign including VVIPs from abroad, according to their rank and status with a view to ensuring their protection.

Madam Speaker, I wish to inform the House that for security reasons, Government has, on 22 May 2015, approved that Police riders from VIPSU be attached on a 24-hour basis to each of the following VVIPs in addition to the current security arrangements provided to them -

- (i) the Vice-Prime Minister, Minister of Housing and Lands;
- (ii) the Minister of Finance and Economic Development;
- (iii) the Attorney-General;
- (iv) the Minister of Financial Services, Good Governance and Institutional Reforms, and
- (v) the Financial Secretary.

I am informed by the Commissioner of Police that only the Vice-Prime Minister, Minister of Housing and Lands and the Minister of Financial Services, Good Governance and Institutional Reforms are presently availing of such services. Police riders of the rank of Constable from VIPSU have been attached to these personalities.

Madam Speaker, I wish to draw the attention of the House that this is a temporary security arrangement which will be reviewed in the light of the threat perception against the Ministers concerned.

Mr Bhagwan: Can I ask the Rt. hon. Prime Minister whether he is aware that allocating additional motorcycle to certain VVIPs, Ministers - I am talking of Ministers - is creating a lot of frustration within his Government and whether ...

(Interruptions)

Madam Speaker: Order please!

Mr Bhagwan: *To lé mo dire kisanla ine dire moi ça, non?*

(Interruptions)

Madam Speaker: Order!

(Interruptions)

Order please! Order please!

Mr Bhagwan: I don't know why they are so noisy...

(Interruptions)

Can I ask the Rt. hon. Prime Minister whether he is contemplating to ask the Commissioner of Police - the way things are going, as we have heard the unpopularity of certain Ministers - to make additional purchase of motorcycles and *casques intégraux* for future problems that may arise with the hon. Members who are very unpopular these days?

(Interruptions)

The Prime Minister: Madam Speaker, if the need arises and if it is really required that we should have more motorcycles, it is the Government duty to acquire them.

Mr Bhagwan: Can I make a request to the Rt. hon. Prime Minister - I am sure he will be agreeable; except for the Rt. hon. Prime Minister and other few - that these VIPSU riders be given a coach on good manners? We have seen in the past how these riders - you have been witnessing yourself on motorway - behave with other drivers - *vancer, vancer, vancer!* This is happening these days.

(Interruptions)

With your driver, you know it, your rider - *l'arrogance!*

Can the Rt. hon. Prime Minister, at least, give directives first, so as to ask these Ministers or the Minister who is having official driver to make it for official function only, not for other purposes, and also to teach good manners to these riders?

The Prime Minister: Good examples, Madam Speaker, must be set first by the hon. Members of this House inside.

Madam Speaker: Next question, hon. Bhagwan!

Mr Bhagwan: I am not being chased everywhere, *mo pas marche are bodyguard moi!*

Mr Mohamed: I thank you Madam Speaker, for the opportunity for the question. Madam Speaker, the Rt. hon. ...

Madam Speaker: Please sit down hon. Mohamed! Can I draw the attention of all Members...

(Interruptions)

Hon. Bhagwan! Hon. Bhagwan, please, I am on my feet...

(Interruptions)

Let me remind all Members of this House that all interruptions from a sitting position are out of order.

(Interruptions)

Mr Mohamed: The Rt. hon. Prime Minister has stated that there are certain hon. Ministers, Vice-Prime Ministers who are now, as opposed to before, entitled to those riders for security reasons. Could he, therefore, tell us whether those Ministers - because we feel for them ...

(Interruptions)

Have they at any time or when have they been victims of such threats that their own person now requires this additional security and, if such security is required, why is a rider required to go to take them to certain places faster and not additional bodyguards be given in the car itself to secure this person who believes that he is threatened?

The Prime Minister: Well, we did what we thought was the right thing to do.

AIR MAURITIUS LTD – LOSS INCURRED

(No. B/474) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to Air Mauritius Ltd., he will,

for the benefit of the House, obtain therefrom, information as to the amount of losses incurred following the last hedging exercise thereat, indicating if –

- (a) actions are being contemplated against those who are responsible therefor and;
- (b) consideration will be given for the reviewing and rescinding of the policy regarding the entitlement of the Board Members thereof of free air tickets for life, indicating;
 - (i) the present number thereof who are concerned therewith, and
 - (ii) if representations have been received from some small shareholders thereof in relation thereto.

The Prime Minister: Madam Speaker, as the House is aware, Air Mauritius Limited is a company listed on the Stock Exchange ...

(Interruptions)

Madam Speaker: Hon. Mohamed, please! The Rt. hon. Prime Minister is replying!

The Prime Minister: ... and governed by its Memorandum and Articles of Association and the Companies Act.

It would not, therefore, be appropriate to provide the information asked for by the hon. Member.

Mr Bhagwan: Madam Speaker, I am very much surprised by the reply of the Rt. hon. Prime Minister. Until recently, the Deputy Prime Minister replied to a PNQ concerning Air Mauritius on 13 May, giving details then of temporary figures on the hedging losses. Can I know from the Rt. hon. Prime Minister what is the reason now for the small shareholders of Air Mauritius not to know what is the amount spent with regard to hedging losses? The Rt. hon. Prime Minister himself was stating so many millions and billions were spent before the general election on the hedging losses.

The Prime Minister: Madam Speaker, if it was a mistake, we should not continue repeating the mistake.

Mr Bhagwan: Madam Speaker, can the Rt. hon. Prime Minister inform the House whether certain people who were sitting on the hedging committee before the general election, before the last hedging losses which occurred, the same persons, the same crooks

are sitting on the hedging committee at Air Mauritius? What action will be taken? He has a representative on the Board of Air Mauritius.

Madam Speaker: Hon. Bhagwan, please do not use unparliamentary language. Don't say that people are crooks! I would ask you not to say that people are crooks. Thank you.

(Interruptions)

You cannot say so unless you can prove!

Mr Bhagwan: Can I ask the Rt. hon. Prime Minister another question: whether he has received representations from smallholders to do away with the facilities for life. I was questioned of having tickets and excess luggage whilst small shareholders - perhaps there are many here in the House, I don't have any share in the Air Mauritius - are not benefitting from any dividends.

The Prime Minister: I have said I am not answering the question.

Mr Bhagwan: One final question! I am most surprised that the Rt. hon. Prime Minister is not replying. So, the population and the shareholders of Air Mauritius will know that the Rt. hon. Prime Minister is not giving proper attention when he was a champion of cleaning Mauritius by not revealing these billions of rupees which have been spent in hedging losses.

The Prime Minister: The clean-up is already in process.

Mr Uteem: Air Mauritius is owned majoritarily by the Government as the main shareholder and the Government appoints members to the Board of Air Mauritius. So, may I ask the Rt. hon. Prime Minister whether he will consider, as the shareholder and through his representatives on the Board, to convey a message to the Board that we want all abuses to cease, as far as giving free tickets and other abuses that are referred to in this question are concerned?

The Prime Minister: We are already looking into that.

FREEDOM OF INFORMATION BILL - INTRODUCTION

(No. B/475) Mr K. Ramano (Third Member for Belle Rose & Quatre Bornes) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the proposed introduction of

a Freedom of Information Bill, he will state where matters stand, indicating if consideration will be given for the draft Bill thereof to be circulated for the information of the public.

The Prime Minister: Madam Speaker, in the Government Programme 2015-2019, it is clearly stated at paragraph 258 that “*a Freedom of Information Act will be brought forward to promote transparency and accountability in public administration and more particularly in contract allocations*”.

My Government will stand by its commitment.

As the House may be aware, in the Government Programme 2005-2010, the then Government had committed itself to provide citizens with a right of access to personal information held by State agencies and to information relating to Government business by enacting a Freedom of Information Act. Since then, the proposed introduction of the Freedom of Information Bill had been the subject of several Parliamentary Questions.

In reply to a Parliamentary Question No. B/154 on 12 April 2011, the then Prime Minister had informed the House that, in the light of the substantial problems that had arisen in countries which had already adopted the Freedom of Information Legislation, the Government was looking at all the implications of such a piece of legislation. As a matter of fact, no such legislation was brought to the House by the former Government.

Madam Speaker, the House will appreciate that, although many jurisdictions have adopted a Freedom of Information Act, the nature and scope of such legislation is still evolving. This is precisely why there is need to ensure that the Freedom of Information Act adopts innovative processes to improve access to information rather than promoting access in name only. Once the necessary groundwork are completed, my Office will give drafting instructions to the Attorney-General’s Office to proceed with the preparation of the Bill.

Madam Speaker, all stakeholders will be consulted prior to the introduction of the Bill in the National Assembly.

Mr Ramano: Madame la présidente, est-ce que je peux savoir de l’honorable Premier ministre si le gouvernement compte s’inspirer d’un pays en particulier pour la rédaction de cette loi?

The Prime Minister: I have already said we are working on it and I will give instructions to the Attorney General to prepare the Bill once we are ready for it. I don’t see what else I can say to the House.

Mr Mohamed: Is there any specific committee that has been set up in order to work on it and, if so, who are the members that are part of that committee and how many meetings have they had already?

The Prime Minister: There is no special committee. There is a member from my Office, the Attorney General's Office and then in consultation with the State Law Office.

AIR MAURITIUS - AIR ACCESS POLICY

(No. B/476) Mr R. Uteem (First Member for Port Louis South & Port Louis Central) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the air access policy, he will state the actions Government proposes to take in relation thereto, indicating the impact thereof on Air Mauritius Ltd.

The Prime Minister: Madam Speaker, in my speech on the occasion of the launching of the High-Powered Committee on Achieving the Second Economic Miracle and Vision 2030 on Saturday 22 August last, I announced in no unequivocal terms that, we inevitably need a more open and robust Air Access Policy that takes into account both the national interests and economic growth.

I also mentioned that, to spearhead the preparation of the Vision 2030 Blue Print, a National Advisory Council has been set up under the chair of the Secretary to Cabinet and Head of the Civil Service, to provide strategic oversight and facilitate cross collaboration among relevant agencies to move things forward.

In that respect, the National Advisory Council has already set up a Task Force under the chair of the Secretary to Cabinet and Head of the Civil Service himself, which has been tasked with the development of a national Air Access Policy.

So far, the Council has met on three occasions and its work is ongoing.

Madam Speaker, I wish to assure the House that, any new Air Access Policy will not, in any way whatsoever, adversely affect the interest of Air Mauritius Ltd.

Madam Speaker: Hon. Uteem!

Mr Uteem: Thank you, Madam Speaker. The Rt. hon. Prime Minister has mentioned that a Task Force has been set up. So, may I know whether there is a time frame where they are going to publish their report with regard to this air access policy?

The Prime Minister: Well, if we find it necessary, when the time will come, we will see whether it should be made public or made known to the hon. Members of the Assembly.

Mr Uteem: Madam Speaker, it has been widely reported in the Press that there is going to be a signature of an agreement for the *Alliance Vanille* - regional airline - including Air Mauritius and other companies. May I know from the Rt. hon. Prime Minister whether any request has been made from Air Mauritius to get the support of the Government financial or otherwise in order to make this regional airline a reality?

The Prime Minister: We are studying the whole situation.

Madam Speaker: Hon. Jhuboo!

Mr Jhuboo: Madam Speaker, there was a report circulated some time ago at the level of the Ministry of Finance and Economic Development, namely the CAPA report, which clearly states the challenges of the industry and more precisely it advocates the introduction of freedom airlines. Can the Rt. hon. Prime Minister see to it that this report is made public?

Madam Speaker: The hon. Member is asking a question wherein a report has been submitted at the level of the Ministry of Finance and Economic Development. I don't know whether the Rt. hon. Prime Minister will be in a position to reply.

(Interruptions)

If he can, yes. It concerns air access, but the report has been leveled at the Ministry of Finance and Economic Development.

The Prime Minister: Well, a question can be put to the hon. Minister.

PREVENTION OF CORRUPTION ACT - AMENDMENTS

(No. B/477) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Prevention of Corruption Act, he will state if consideration is being given for proposed amendments to be brought thereto and, if so

-

(a) give details thereof, and

(b) indicate when same will be introduced.

The Prime Minister: Madam Speaker, as the House is aware, the Government Programme 2015-2019 provides that, I quote -

“Government has a mandate for change and will relentlessly fight fraud, corruption and financial crime. To that effect, a Financial Crime Commission will be set up to act as an apex body to oversee the ICAC, the Financial Intelligence Unit and the enforcement department of the Financial Services Commission”.

In my reply to the PNQ on 24 February 2015, I stated that the Financial Crime Commission will be set up as an umbrella organisation to oversee the operations of a revised and enhanced ICAC, the FIU, the Asset Recovery Unit, the Enforcement Units of the Financial Services Commission, the Financial Reporting Council and the Anti-Fraud Unit.

I am informed that in this context, the Minister of Financial Services, Good Governance and Institutional Reforms, Minister of Technology, Communication and Innovation has had further consultations recently with different organisations in the UK involved in the fight against economic crime and serious and organised crimes, namely the National Crime Agency, the Economic Crime Command and the UK Financial Intelligence Unit, with a view to, *inter alia*, seeking advice and assistance on the setting up of the Financial Crime Commission.

Consequential amendments will be brought to the Prevention of Corruption Act and other related legislations in the wake of these proposed changes. Provision will also be made in the Act to enable a more effective tracking and curbing of money laundering and accumulation of wealth through backdoor mechanisms.

I am informed that substantial amendments to the Prevention of Corruption Act had been proposed by the former Parliamentary Committee on the ICAC, pursuant to section 61 of the Act. Moreover, the ICAC had also proposed certain additional amendments to the Act, based on the recommendations of the United Nations Convention Against Corruption. These proposed amendments will also be taken on board in the course of the exercise.

Madam Speaker, I wish to point out that, in the meantime, a number of measures have been taken by the ICAC in line with our commitment to combat fraud, corruption, malpractices and irregularities. These include -

- conducting corruption prevention reviews in different public bodies – since January 2015 to date thirty such reviews have been effected and 426 recommendations made to enhance transparency, accountability and integrity.

- implementation of Public Sector Anti-Corruption Framework in public bodies to empower them to do their own corruption prevention.
- development of Best Practices Guide to address areas prone to corruption.
- conducting anti-corruption campaign in the secondary education sector – from February to May 2015 around 10,000 students have been sensitised.
- holding of empowerment sessions for public officers and training of integrity officers by UNODC in order to foster a corruption-free public service.

Madam Speaker, Government is committed to conducting business on the principles of discipline, transparency, accountability and exemplary governance. We have pledged to eradicate fraud, corruption, malpractices and irregularities in all aspects of public life and restore our national values.

I wish to reassure the House that my Government stands by its commitment and brings the necessary amendments to the law.

Madam Speaker: Yes, hon. Ganoo!

Mr Ganoo: Can I know from the hon. Prime Minister whether, in the proposed amendments which will be brought to the PoCA, the question of the protection of whistle-blowers will also be included?

The Prime Minister: Well, I am afraid I can't answer this because I am not aware. I will try to find out.

Madam Speaker: Next question, hon. Ramano!

HORSE RACING – COMMISSION OF INQUIRY - REPORT

(No. B/478) Mr S. Rughoobur (Second Member for Grand' Baie & Poudre d'Or) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Commission of Inquiry on Horse Racing in Mauritius which was set up on 24 September 2014, he will state the quantum of the –

- (a) fees paid to the Commissioners thereof, and
- (b) related expenses incurred in relation thereto until the submission of the final report thereof in March 2015, indicating if, in the light thereof, consideration will be given for the introduction of proposed amendments to be brought to

the Prevention of Corruption Act to empower the Independent Commission against Corruption to investigate into cases of corruption on horse racing activities.

(Withdrawn)

POLITICAL PARTIES – FINANCING - LEGISLATION

(No. B/479) Mr K. Ramano (Third Member for Belle Rose & Quatre Bornes) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the financing of political parties, he will state if Government is considering introducing legislation in relation thereto and, if so, indicate the expected date of introduction thereof.

The Prime Minister: Madam Speaker, as the House is aware, the Government has, in its 2015-2019 Programme, pledged to enact a Financing of Political Parties Act and to widen the powers of the Electoral Supervisory Commission so as to enable it to control and sanction fraud, corruption and conflict of interests during election time, and also to monitor political funding and abuse of position of power.

I wish to reassure the House that my Government will stand by its commitment and will consider the issue in the wider context of electoral reforms.

Mr Ramano: Madame la présidente, est-ce que je peux savoir de l'honorable Premier ministre si le gouvernement compte, en attendant la nouvelle loi sur le financement des partis politiques, légiférer pour rendre obligatoire aux partis politiques de s'enregistrer au *Registrar of Associations* et de soumettre des comptes annuels?

The Prime Minister: Well, we won't take piecemeal measures. We will come with a global law regarding this.

Madam Speaker: Yes, hon. Ganoo!

Mr Ganoo: May I ask a question to the Rt. hon. Prime Minister? Doesn't the Rt. hon. Prime Minister think that this is a fit case where a Select Committee should be set up with a definite time frame, presided by the Attorney General or some other Minister, to allow all the political parties in the House or outside this House to come and depone? This is a subject which interests all political parties, of course, the society at large, but a Select Committee with a definite time frame under the chairmanship of a Minister should be set up to hear

evidence about what type of law do we need for the financing of political parties and is best suited for Mauritius.

The Prime Minister: Well, we will take this into consideration and, if need be, we will have recourse to this.

Madam Speaker: Next question, hon. Gobin!

RIVIÈRE DES ANGUILLES & SOUILLAC – PROJECTS - IMPLEMENTATION

(No. B/480) Mr M. Gobin (First Member for Rivière des Anguilles & Souillac) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the projects implemented by the National Development Unit in Constituency No. 13, Rivière des Anguilles and Souillac, he will give a list thereof, indicating in each case where matters stand and, with regard to those which have not yet been completed, indicate the reasons therefor.

The Prime Minister: Madam Speaker, I am tabling a list of projects of the National Development Unit for the Constituency No. 13, Rivière des Anguilles and Souillac which have been awarded during the last two Financial Years along with a Status Report therein.

There are five projects which have not yet been completed due to delays in obtaining wayleaves/clearances, bad weather conditions as well as delay on the part of the contractor.

Madam Speaker: Hon. Lesjongard!

WASTEWATER MANAGEMENT AUTHORITY - ALLEGED MALPRACTICES

(No. B/481) Mr G. Lesjongard (Second Member for Savanne & Black River) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Wastewater Management Authority, he will state if consideration will be given for the setting up of a Commission of Inquiry to look into the alleged malpractices and excess payments made over the past years thereat, as mentioned in the recent Report of the Director of Audit.

The Prime Minister: Madam Speaker, following the release of the Report of the Director of Audit for the year ending 31 December 2014, Government has decided that the Minister of Financial Services, Good Governance and Institutional Reforms should chair a monthly meeting with Supervising Officers of Ministries to look into the adverse comments made in the Report of the Director of Audit and ensure that appropriate and timely remedial measures are taken to prevent wastage of public funds.

I am informed that the Committee has already started its work.

The alleged malpractices at the level of the Wastewater Management Authority will be dealt with by the Ministry of Financial Services, Good Governance and Institutional Reforms. In the circumstances, it is not proposed to set up a Commission of Inquiry on this matter.

Madam Speaker: Yes, hon. Lesjongard!

Mr Lesjongard: Thank you, Madam Speaker. Has the Rt. hon. Prime Minister been made aware that, for the past consecutive five years, there have been cost overruns of the order of 60% in almost all the projects that have been carried out by the Wastewater Management Authority? I am saying for the past five years, and this has been highlighted in the various Audit Reports that have been made public.

The Prime Minister: Well, I understand that, on this particular issue, there has already been started an independent auditing.

(Interruptions)

Madam Speaker: Time is over! Hon. Members, the Table has been advised that Parliamentary Question B/496 in regard to the New Double Taxation Avoidance Convention between Mauritius and South Africa and addressed to the hon. Minister of Finance and Economic Development will now be replied by the hon. Minister of Financial Services, Good Governance and Institutional Reforms, Minister of Technology, Communication and Innovation.

Parliamentary Question B/507 in regard to the Belle Mare Tourist Village project and addressed to the hon. Deputy Prime Minister, Minister of Tourism and External Communications will now be replied by hon. Minister of Finance and Economic Development.

Parliamentary Question B/514 in regard to the foreign medical practitioners employed by the Apollo Bramwell Hospital and addressed to the hon. Minister of Health and Quality of Life will now be replied by the hon. Minister of Finance and Economic Development. Parliamentary Questions B/495 and B/509 have been withdrawn. Hon. Bhagwan, first question!

MBC – OVERDRAFTS & FEES COLLECTED

(No. B/485) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the Minister of Financial Services, Good Governance and Institutional Reforms,

Minister of Technology, Communication and Innovation whether, in regard to the Mauritius Broadcasting Corporation, he will, for the benefit of the House, obtain therefrom, information as to the –

- (a) measures that have been taken to ensure good governance thereat, especially with regard to the day to day management of the affairs thereof;
- (b) quantum of the –
 - (i) overdrafts it has contracted with banks and financial institutions, as at to date, and
 - (ii) fees collected from the subscribers on a monthly basis, since January 2015 to date, and
- (c) composition of the present Board thereof, indicating the number of times it has met since January 2015 to date.

Mr Bhadain: Madam Speaker, since this new Government has taken office in December 2014, it has taken stock of the catastrophic financial and HR situations at the Mauritius Broadcasting Corporation (MBC).

In respect of the financial situation of the MBC, a review carried out in March 2015 by my Ministry has, *inter alia*, revealed the following that, as at 31 December 2014, the Corporation had a cumulative debt portfolio of nearly Rs1.0 billion, the breakdown of which is as follows –

	Rs (M)
Bank overdraft	- 222.5
Loans	- 603
Creditors	- <u>162.4</u>
Total	<u>987.9</u>

The review has also revealed that, since 2009/10, the MBC had been operating at a deficit level of more than Rs100 m. per annum and the deterioration of the liquidity situation of the MBC is essentially due to the drastic increase in operational costs from Rs477 m. in

2006/07 to Rs748 m. in 2014, the stagnation of advertising income (Rs225 m. per annum) and expenditure on fixed assets.

After analysis of the information available at the MBC, the conclusion reached is that the latter would not be able to pay its outstanding loans, overdraft and debts though an improvement in the liquidity position has been noted recently. In this regard, my Ministry has made certain recommendations to improve the financial situation of the MBC.

Madam Speaker, my Ministry has also reviewed the procurement activities of the MBC since 2010 and it has to come to light that there have been repeated breaches of the Public Procurement Act 2006 and a complete lack of accountability and transparency in the procurement of goods and services. Out of a total of 240 procurement activities, 110 purchases amounting to some Rs102 m. were undertaken without any competitive bidding exercise, clearly showing an abuse of, what is known, as the direct procurement procedure. There is also evidence of certain specific suppliers of broadcasting equipment and accessories and a specific brand of equipment having been favoured since 2010.

Madam Speaker, on the human resource management side, a review over a period of 2010 to 2014 has revealed that human resource management was generally characterised by malpractices and irregularities in the recruitment and promotion of staff, including a complete absence of accountability and transparency. These factors have also substantially contributed towards the deterioration of the financial situation of the Corporation.

From the review carried out it, *inter alia*, transpires that –

- (i) there were no clearly defined recruitment and promotion procedures at the MBC;
- (ii) many officers had been granted increments - some up to 10 to 12 increments a year - more than prescribed by the Pay Research Bureau;
- (iii) contract officers, including the executive management team, had been paid cash in lieu of annual leaves though no record of attendance was maintained;
- (iv) some 300 persons were recruited on both freelance and contractual basis without advertisement, and
- (v) 20 Security Officers were recruited though this position did not exist on the establishment.

Madam Speaker, with regard to part (a) of the question, a restructuring has started and is ongoing. The debts are still there but, on the operational side, the Corporation has started breaking even through the following measures –

- Closing down of offices in Port Louis and Forest Side, whereby all employees have been brought to work under one roof, that is, at their Headquarters in Moka.
- Effectively managing the expenditure of the Corporation and creating awareness across the organisation through respective Heads of Departments on the precarious financial situation at the MBC and taking measures to reduce operational costs.
- Termination of employment of 7 contractual employees, who were deemed excessive and surplus to requirement.
- Holding meetings regularly with the relevant Heads of Departments to re-engineer the respective services, such as radio, TV and News programmes focusing on the economic, social and development activities of the country.
- Continuously communicating to staff about the actions taken by the new Management to restore confidence and trust, and to create a new working and conducive environment with a sense of discipline.
- Re-organisation of the work and re-allocation of duties in various departments to ensure cost effectiveness and quality of service delivery to the public.

Furthermore, in terms of good governance, the MBC is preparing a Human Resource Manual, which will include –

- (a) a policy for the recruitment and selection procedure, taking into account fairness, transparency, meritocracy and equity;
- (b) Equal Opportunity Policy, establishing, *inter alia*, a formal procedure for the management of situations of conflict of interest, and
- (c) a new Code of Conduct for the MBC

The day-to-day management, following the departure of the former Director General on 25 August 2015, has been entrusted to the Team Leader Finance & Marketing who has been designated as Officer-in-Charge of the Corporation. The latter is presently overseeing the daily operations of the MBC, in close collaboration with the acting Chairperson of the

MBC and all Heads of Departments. In line with principles of good governance and transparency, Madam Speaker, the following posts have been advertised –

1. Director General's position;
2. Deputy Director General's position;
3. Director of Radio;
4. Director of News;
5. Marketing & Events Manager;
6. Production Manager;
7. Radio Production Manager (Oriental);
8. Human Resource Manager, and
9. Producer (Urdu).

Recruitment will follow soon.

Madam Speaker, as regards part (b) of the question, I am informed by the MBC that the existing overdrafts with banks and financial institutions have now been reduced from Rs222.5 m. in March 2015 to Rs196 m. in August 2015.

The fees collected from subscribers on a monthly basis from January to August 2015 amount to Rs374.8 m for eight months.

Madam Speaker, regarding part (c) of the question, the MBC Board has not been fully reconstituted pending forthcoming amendments to the MBC Act, which are presently being vetted by the State Law Office.

Since February 2015, Mr Jugdish Dev Phokeer, Permanent Secretary at the Ministry of Technology, Communication and Innovation, is acting as Chairperson. The other members are –

- (a) Mr Om Kumar Dabidin, Permanent Secretary representing the Prime Minister's Office;
- (b) Mr Lutchmeeparsad Ramdhun, Director, Information Services at the Government Information Service, and
- (c) Mrs Ushalini Shewraj, Assistant Permanent Secretary at the Ministry of Technology, Communication and Innovation.

Since February 2015 to date, the present MBC Board has met nine times.

Mr Bhagwan: The hon. Minister has given us a lengthy reply. The hon. Minister has given us information as to measures taken to ensure good governance and the independence of the MBC. Can the hon. Minister inform the House, the subscribers, those who are paying millions of rupees that there is no daily interference of the Minister in the affairs of the MBC, as it is reported, and whether one particular journalist is now acting as the Director General because he is a close friend of the Minister? This is the news which is being circulated among all the personnel of the MBC, which is creating a lot of havoc, as if *la MBC est devenue un navire sans gouvernail*.

Mr Bhadain: Madam Speaker, the hon. Member should not read everything from the press and then making as if it becomes Gospel truth. If ever he has any doubt on how the MBC has changed and is now running in line with practices of good governance, he should ask hon. Uteem. He was there on Friday.

(Interruptions)

Mr Bhagwan: The hon. Member is a Deputy Whip, he should behave. I will come to that *émission* later on. Can the hon. Minister, at least, inform the House, the country - I know it is his responsibility, we have discussed about the opportunity of informing him; even the Prime Minister's Question - whether he is satisfied of the *retransmission des travaux parlementaires*; whether he is satisfied that there is no interference? It is a non-sense the way it is manipulated, the way the debate is transmitted. So, can I ask the hon. Minister whether he has had a look on what is...

(Interruptions)

Twa ki pu dir mwa ki pu répone là?

(Interruptions)

Madam Speaker: Please! Hon. Bhagwan!

Mr Bhagwan: Can I ask the hon. Minister whether he has had a look at the *retransmission des travaux parlementaires* and whether he is satisfied? We are not satisfied and we have discussed the matter with him.

Mr Bhadain: Madam Speaker, I do understand that hon. Bhagwan is in festive mood today, but he should be serious with the questions we are being asked. A methodology has been put in place - and this has been communicated in the same press that he is reading - in

terms of assessing the newsworthiness of an item prior to the MBC deciding which particular event should be broadcasted on the *Journal télévisé* live on TV.

(Interruptions)

No, I don't assess it. I am not from the Labour Party.

Madam Speaker, there are also a number of measures which are being put in place to bring the MBC to operate with a level of transparency in line with practices of good governance which is based on international norms. This is why we have advertised for all these positions so that we can get the best people to run the Corporation. We are also looking at changing methodologies and we are also looking at putting the MBC financially in order because the heritage of Mr Calikhan and Dr. Ramgoolam is there for everybody to see.

Mr Bhagwan: Can the hon. Minister inform the House and the country that the MBC - I have heard the hon. Minister stating that he wants the MBC to become the BBC, the British Broadcasting Corporation and not the Bhadain Broadcasting Corporation.

(Interruptions)

I am honest, many of my friends there are complaining. They are not having access! Can the hon. Minister inform the House whether the MBC will not become the Bhadain Broadcasting Corporation?

(Interruptions)

Mr Bhadain: Well, Madam Speaker, one thing I can assure: it will not become the BBC – the Bhagwan Broadcasting Corporation!

(Interruptions)

But, Madam Speaker...

(Interruptions)

Madam Speaker: Hon. Bhagwan, please! Allow the hon. Minister to reply!

(Interruptions)

Mr Bhadain: *Tone elu 8 fois to pane fou narien! Dans 8 mois mone faire plis ki twa!*

(Interruptions)

Madam Speaker: Hon. Bhagwan, I am drawing your attention to order!

(Interruptions)

Please!

(Interruptions)

Mr Bhadain: Madam Speaker, I can also assure the hon. Member that the new way that the MBC is operating now is completely distant from those days when there was political intervention and political interference.

(Interruptions)

In fact, I can substantiate what I am saying, Madam Speaker, because for more than 20 years a Member of the Opposition has never been invited to the MBC for a live televised programme...

(Interruptions)

Madam Speaker: Order, please!

Mr Bhadain: *Demand Reza si ti manipuler!*

Madam Speaker: Order, please!

(Interruptions)

Mr Bhadain: *Coze la vérité!*

Madam Speaker: Order, please!

Mr Bhadain: And this is a great step into addressing issues regarding impartiality...

(Interruptions)

Let me answer!

(Interruptions)

Madam Speaker: Would you allow the Minister to reply?

(Interruptions)

Mr Bhadain: *Allez, lot cou mo invite twa...*

Madam Speaker: Please, allow the Minister to reply!

Mr Bhadain: *Lot cou mo invite twa...*

(Interruptions)

Madam Speaker: I said no comments from a seated position, please!

(Interruptions)

Have you finished hon. Minister?

Mr Bhadain: Madam Speaker, I can assure the hon. Member that all these measures are being put in place to ensure impartiality and there is going to be a further agenda of programmes between Opposition Members and Members of the Government for the next 12 months.

Madam Speaker: Yes, hon. Bhagwan!

Mr Bhagwan: Everybody knows that *l'émission de l'autre jour a été manipulée. Le ministre a mis un écran, les gens étaient en train de lui dicter d'en haut!*

(Interruptions)

Manipulée totalement ! Bodha conné !

(Interruptions)

Madam Speaker: Hon. Jhugroo!

(Interruptions)

Hon. Jhugroo, ask your question!

Mr Jhugroo: Will the hon. Minister consider opening two enquiries, first, to look into the purchase of equipment by the MBC, that is, films and serials for the past ten years and, secondly, an enquiry to look for what reason 20 security officers had been recruited by the MBC and most of them come from Constituency No.5 and when we have the presence of the Special Mobile Force...

(Interruptions)

Madam Speaker: Hon. Shakeel Mohamed, no comment, please!

Mr Jhugroo: ... the presence of the Police Force, we have the CCTV cameras installed everywhere in the premises of the MBC and we have the Central Door Lock System? So, these two enquiries should be carried out and, if need be, referred to the Police Department.

Mr Bhadain: Madam Speaker, the public sector...

(Interruptions)

Madam Speaker: Hon. Jhugroo, you have asked your question!

Mr Bhadain: Madam Speaker, the Public Sector Efficiency Bureau of my Ministry is still looking into numerous issues because there have been so many malpractices and irregularities. But, we should also look at bringing the Corporation back to the level it deserves and bring the MBC to the standards required. This is what is being done and it is moving towards transparency and good governance.

Madam Speaker: I will allow one last question for hon. Baloomoody!

(Interruptions)

So, we will now break for lunch.

At 1.07 p.m. the sitting was suspended.

On resuming at 2.40 p.m. with Madam Speaker in the Chair.

PLAINE VERTE - EID FESTIVAL - EXPENSES

(No. B/486) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East) asked the Minister of Local Government whether, in regard to the Eid Festival celebrations organized on 26 July and 01 August 2015 respectively, in Plaine Verte, by the Municipal Council of Port Louis in collaboration with the Ministry of Arts and Culture, he will, for the benefit of the House, obtain from the Council, a breakdown of the expenses incurred in relation thereto in respect of each item of expenditure, including the two-weeks' decorations of the garden and for the fire crackers, indicating -

- (a) the names of the suppliers thereof, and
- (b) mode of selection of the suppliers therefor.

Dr. Husnoo: Madam Speaker, I am informed by the Municipal Council of Port Louis that the following activities were organised in the context of the Eid Festival celebrations.

Firstly, a family cum children day at Concorde Garden, Plaine Verte on 26 July 2015.

Secondly, an Eid Party at Concorde Garden, Plaine Verte on 01 August 2015.

The expenses incurred in respect of these two activities were Rs35, 590 and Rs94,340 respectively.

Madam Speaker, I shall with your permission arrange for the breakdown of the expenses incurred in respect of these activities to be placed in the Library of the National Assembly.

With regard to parts (a) and (b) of the question, I am informed that the provision of tents, chairs, podium, banners and gifts have been procured from official suppliers of the Council selected through the annual tendering procedures. As regards decorative lights, these were placed on trees and hedges at the Concorde Garden by the Municipal Labour.

I am further informed that firecrackers were not provided nor payment effected by the Council for same.

Mr Ameer Meea: Can I ask the hon. Minister whether it is a new policy from the Municipality of Port Louis not to invite Members of the Opposition to the following celebration as it used to be the case before?

Dr. Husnoo: Yes, sure, I'll ask them about that. Thank you.

AGALEGA – MINISTER OF HEALTH & QUALITY OF LIFE - VISIT

(No. B/487) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East) asked the Minister of Health and Quality of Life whether, in regard to his last visit to the Agalega Island, he will state -

- (a) the date and duration thereof;
- (b) the composition of the accompanying delegation ;
- (c) the outcome thereof, and
- (d) if he has had interactive sessions with the inhabitants thereof and, if not, why not.

Mr Gayan: Madam Speaker, I visited Agalega Island on 27 July 2015 from 09 30 to 15 00 hours. The departure from Agalega was set for 15 00 hours because of operational constraints of the Dornier Aircraft which usually has to cater for unforeseen landing back at Agalega during day light hours.

I was accompanied by the Senior Chief Executive, the Director General Health Services and the Director Nursing of my Ministry.

The Acting Resident Manager of the Outer Islands Development Corporation also accompanied the delegation throughout the visit.

Madam Speaker, on 27 July 2015 we left Mauritius on the Dornier Aircraft at 06 00 hours in the morning. We arrived in Agalega Island at 09 30 hours. As soon as we

disembarked, we met the Acting Resident Manager and his staff at the airstrip. We also met school children there to whom chocolates and fruits were distributed.

At 10 00 hours, we took a 4 x 4 vehicle and stopped at the beach, where we embarked on a boat to go to the South Island. It took us 30 minutes to arrive there because of the rough sea.

We disembarked on the South Island, took another 4 x 4 and visited the Health Centre where we met patients and members of the public.

We then returned to the North Island, took the 4 x 4

(Interruptions)

Well, they are asking for the information, I am giving the information.

We then returned to the North Island, took the 4 x 4 vehicle and visited the Health Centre where we also met patients and members of the public.

I then had a working lunch with the Acting Resident Manager and the health care staff.

Madam Speaker, with regard to part (c) of the question, the purpose of my visit was to take stock of the health facilities and services in Agalega and to discuss with the local health staff of their future needs and requirements.

Following site visits at both North and South of Agalega and after discussions held with the health staff and the Acting Resident Manager, the following decisions were taken –

- a Medical and Health Officer/Senior Medical and Health Officer will be posted in South Agalega;
- an ambulance service would be made available on the island.
Action is accordingly being taken by my Ministry.
- a first shipment of 38 items regarding the supply of furniture and equipment for Agalega health services have already been shipped on 02 September 2015 and a second shipment will be effected on the next vessel which will apparently proceed to Agalega around 26 September 2015.

Moreover, a Committee chaired by the Permanent Secretary of my Ministry will henceforth follow up on proposed course of actions and to consider any future request for the smooth running of the health services in Agalega.

The House is aware, Madam Speaker, that officers are very reluctant to serve in Agalega and that has been the case for long. I am pleased to inform the House that following the visit, four Officers, one female Charge Nurse and three Nursing Officers have decided to extend their tour of service in Agalega till 2016.

Concerning part (d) of the question, Madam Speaker, during the visit I did have interactive sessions with patients and residents of the island, under the guidance of the Acting Resident Manager.

I wish to table two photographs, Madam Speaker, with regard to the visit.

Madam Speaker, while conversing with the Members of the public at both islands, I enquired whether they knew the Members of the National Assembly who represented them there and I must say that their reply was negative. I even asked whether they knew the hon. Member who had asked this question and they said no.

Mr Ameer Meea: Madam Speaker, this is really unprecedented. Agalega visit down the years, whether Members of Parliament, previous Ministers, every Minister, every Member of Parliament who goes to Agalega does visit the inhabitants and I had a meeting with them. Can I ask the hon. Minister why, in his visit, he did not meet the inhabitants of Agalega, he did not have a formal meeting? I, myself as the MP for Agalega, in my last mandate, together with hon. Mohamed, Minister then, we met the people of Agalega in a village hall, about a 100, because the number of inhabitants is only 219 there. Why the hon. Minister did not deem it fit to meet the inhabitants of Agalega?

Mr Gayan: Unless my English is very poor, Madam Speaker, I did say I did meet the inhabitants of Agalega.

(Interruptions)

Madam Speaker: Hon. Ameer Meea!

Mr Ameer Meea: Madam Speaker, the hon. Minister is not aware, but I would refer him to 'Le Mauricien' of 28 July 2015 where there is a press article stating that the hon. Minister did not meet any inhabitants.

Mr Gayan: I am not guided by press articles. I know what I did.

(Interruptions)

Madam Speaker: Hon. Ameer Meea, please! Can you please just withdraw what you have just said! You can't say he is a liar.

(Interruptions)

Well, if...

(Interruptions)

Hon. Rutnah! Please!

(Interruptions)

Hon. Rutnah! When I am on my feet, you don't stand up! Okay!

(Interruptions)

What I will do is that I will listen to the recording and then I will come back. Thank you.

(Interruptions)

Hon. Rutnah, you have even uttered this word, which is unparliamentary! When I am on my feet, you sit down! You also have to withdraw this word.

Mr Ameer Meea: Madam Speaker, a last supplementary question on the same issue. The hon. Minister in his reply mentioned that the inhabitants do not know who the MPs are for this constituency. Does he imply that the inhabitants do not know hon. Minister Husnoo as well?

Mr Gayan: I asked the question whether they knew about the hon. Member who asked the question.

(Interruptions)

Madam Speaker: Next question, hon. Ameer Meea!

PRIVATE CLINICS – PUBLIC HOSPITALS – FEES PAID

(No. B/488) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East) asked the Minister of Health and Quality of Life whether, in regard to the private clinics which have supplied services to the public hospitals since 2010 to date, he will give a list thereof, indicating the quantum of the fees paid out thereto on a yearly basis therefor, indicating in each case, the services supplied, including radiological services for Computed Axial Tomography (CT) Scans and Magnetic Resonance Imaging (MRI).

Mr Gayan: Madam Speaker, the information which is being requested goes back to 2010. The information is being compiled and will be placed in the Library of the National Assembly.

Mr Ameer Meea: Can I ask the hon. Minister if he is aware that the CT Scan has been broken since long and Government is paying millions of rupees to private clinics, *notamment la* City Clinic à Port Louis, and what is he doing to remedy the case?

Mr Gayan: Madam Speaker, I know that there are problems with the CT Scan and other equipment. We are doing the needful to have them replaced and repaired. Unfortunately, we do not have the biomedical engineers available right now, but it is being looked into.

Mr Ameer Meea: My information is that this is being done purposely because there is a racket going on in the Ministry. The hon. Minister must be aware of what is going on there. The machines have broken down since long and they don't repair it purposely so as to pay the clinic a fee every month. Can the hon. Minister enquire in such matter?

Mr Gayan: Madam Speaker, I wish to inform the House that I have enquired into the matter and the reply that I got was that, as far as possible, whenever there is a breakdown of the CT Scan in one hospital, the patients are referred to another public hospital. That is information I have.

Madam Speaker: Hon. Dr. Joomaye!

Dr. Joomaye: Thank you, Madam Speaker. Does the hon. Minister find it normal to continue paying to the private sector services that are already available in the public sector, and on which grounds are the private service providers chosen?

Mr Gayan: Well, my understanding, Madam Speaker, is that whenever services are available in the public sector, those services are made available to the patients. But it can happen that a machine breaks down or something happens and if a patient is in urgent need of care and attention, then a decision has to be taken. I am given to understand that the decision that is taken is to refer that particular patient to the closest clinic that is in the area. This is the information I have, but I am also concerned about this particular question with regard to the private clinics. When the information comes to the Library, I am sure there will be other questions, but this is the information I have at this stage.

Madam Speaker: Yes, hon. Jhugroo!

Mr Jhugroo: Can I ask the hon. Minister since when the CT Scan is broken and what criteria are being used? He just mentioned the nearest private clinic. So, can we know what criteria are being used to choose which nearest private clinic to send the patient for the CT Scan?

Mr Gayan: Well, Madam Speaker, I did say that the one that is closest to where the service is provided.

Madam Speaker: Yes, hon. Bhagwan!

Mr Bhagwan: Thank you, Madam Speaker. My colleague, hon. Ameer Meea, has made mention of a racket. I think there is connivance. We are all MPs, we all know what has been happening over the years whereby the pretext of machines are broken down and so on. So, can the hon. Minister, at least, order an enquiry, an investigation in whatever form, be it the Police, other Ministries or whatever ...

(Interruptions)

No, not him! To have an investigation, so that at least the population may rest assured that Government is taking action firmly against all these crooks. I am using the word 'crooks'.

Mr Gayan: Madam Speaker, I will certainly look into that, but I have already asked questions and, again, the answers that I got were that the machines in the public sector break down more easily because the use that is made of the machines is heavier. I mean, in the public hospitals more patients need to have CT Scans than in the clinics. This is the information I have, but we will see when the enquiry is over.

Madam Speaker: Hon. Dr. Joomaye!

Dr. Joomaye: Thank you, Madam Speaker. The region of Port Louis comprises three clinics: the Chisty Shifa Clinic, City Clinic and the Clinique du Nord. As far as proximity is concerned for Dr. Jeetoo Hospital, the closest clinic is the Chisty Shifa Clinic, which is in Labourdonnais Street - the Dr. Jeetoo Hospital being in Volcy Pougnet Street. I would like to know why patients are being transferred to City Clinic in Magon Street from the hospital?

Mr Gayan: I have no information about this. I believe that CT Scan is not available in Chisty Shifa Clinic, but I am not sure whether that is the case.

Madam Speaker: I will allow two more questions: one from hon. Jhugroo and one from hon. Dr. Sorefan!

Mr Jhugroo: Can I ask the hon. Minister - if he has information available now - what is the cost of one CT Scan and can we know whether the personnel working with the CT Scan had proper training before working with this type of machine?

Mr Gayan: Madam Speaker, I am afraid I do not have the information.

Madam Speaker: Hon. Dr. Sorefan!

Dr. Sorefan: Thank you, Madam Speaker. May we know from the hon. Minister whether there is uniformity of payment to each private sector for one CT Scan? Is it uniform or everyone charge to their whims and caprices?

Mr Gayan: Well, I do not have the information, but I have already given instructions to my staff that we should have a tariff, a rate for all clinics, for all the services that are being provided. This is being worked into.

Madam Speaker: Hon. Bhagwan, I grant you a last question.

Mr Bhagwan: Can the hon. Minister enquire whether there is connivance between those responsible for the maintenance of these equipment, the suppliers and also the private clinics? From what I understand, there is connivance.

Mr Gayan: Madam Speaker, I hear lots of things, but when it comes to getting the evidence and the people to come and say what they claim to be saying, it is difficult. There is no evidence.

Madam Speaker: The Table has been advised that PQ No. B/494 has been withdrawn. Hon. Jhugroo!

STREET LIGHTING – ELECTRICITY TARIFFS

(No. B/489) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien) asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to street lighting, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to the -

- (a) current electricity tariffs that are presently applied to the Municipal and District Councils therefor, indicating if consideration will be given for a reduction thereof, and
- (b) measures that will be taken for the promotion of the use of photovoltaic solar systems by the Councils.

The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo): Madam Speaker, I am informed by the CEB that the tariff for street lighting is Rs7.82 per KW/hour.

The CEB does not envisage any reduction of the tariff.

With regard to part (b) of the question –

- (i) two solar street lighting systems of capacity 30 Kilowatts and 37 Kilowatts each to be managed by the Municipality of Vacoas/Phoenix and the Moka District Council have been installed at a *Morcellement* in Highlands;
- (ii) the CEB has launched a new Small Scale Distributed Generation Scheme, which is open to municipalities and district councils or promoters of *Morcellement* to install 5 kilowatt solar photovoltaic system for street lighting, and
- (iii) the Energy Efficiency Management Office is in the process of appointing a consultant to make recommendations on energy efficient street lighting.

Mr Jhugroo: Is the hon. Vice-Prime Minister aware that very often the District Councils face big financial problems to pay their CEB bills after the months of September to October, and this is really becoming a very big problem for the District Councils to get works done?

Mr Collendavelloo: Yes, that may be so, but it is also a problem for CEB to collect money from District Councils.

MUNICIPAL & DISTRICT COUNCILS – VEHICLES – DUTY-FREE FACILITIES

(No. B/490) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien) asked the Minister of Finance and Economic Development whether, in regard to the vehicles purchased by the Municipal and District Councils, he will state if consideration will be given for the –

- (a) provision of duty-free facilities thereto, and
- (b) waiver of registration duties and annual road taxes in respect thereof.

Mr Lutchmeenaraidoo: Madam Speaker, yes, consideration will be given to the two suggestions made by the hon. Member in the next Budget exercise.

Madam Speaker: No supplementary! Next question, hon. Bhagwan!

STATE TRADING CORPORATION - GASOLINE & DIESEL - PRICE

(No. B/491) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East) asked the Minister of Industry, Commerce and Consumer Protection whether, in regard to gasoline and diesel, he will, for the benefit of the House, obtain from the State Trading Corporation, information as to the –

- (a) actual cost price thereof in each case -
 - (i) indicating the reasons why the prices thereof have not been reviewed downwards, and
 - (ii) giving a breakdown of the different components of the price per litre thereof, and
- (b) total amount of money collected for the Build Mauritius Fund.

(Vide reply to PNQ)

SUGAR CANE - HARVEST SEASON

(No. B/492) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the Minister of Agro-Industry and Food Security whether, in regard to sugarcane, he will state the measures that his Ministry proposes to take to ensure that the harvest season thereof does not extend to January 2016 with its consequences on low sugar extraction which would impair the economic performance of the planters.

Mr Seeruttun: Madam Speaker, I am informed that the Mauritius Cane Industry Authority (MCIA) closely monitors the harvest of the sugarcane crop with all stakeholders, in particular the millers, to ensure that the harvest is completed in a timely manner. Furthermore, it also gives directives as appropriate in special circumstances with regard to receipt and transfer of canes to ensure that there is no undue delay in the completion of the harvest.

At the start of each harvest, the milling factories are asked to communicate to the MCIA, its estimates of canes to be crushed for the crop season together with the start and the completion date of the harvest.

Based on the duration of the crop, MCIA monitors transfer and surplus of canes from one milling factory to another one depending on the specific circumstances.

For the crop 2015, Alteo has informed MCIA that based on its cane estimates, it has a surplus of 110,000 tonnes of canes which need to be reallocated to other milling factories to enable it to complete its harvest within the recommended guideline of 150 days.

Following consultations with all stakeholders prior to the start of the harvest, MCIA has initially agreed to allocate the surplus of 110,000 tonnes of canes from Alteo as follows –

- (i) 40,000 tonnes to Terra
- (ii) 40,000 tonnes to Médine, and
- (iii) 30,000 tonnes to Omnicane

The House will again note that Médine milling factory has encountered some difficulties during the commissioning period of its new power plant and subsequent breakdowns. This has led to delays in the start of the harvest period at Médine. As a result, the MCIA had, with the agreement of the milling factories, reviewed the allocation of 40,000 tonnes of canes from Alteo to Médine. These 40,000 tonnes have been reallocated as follows –

- (i) 30,000 tonnes to Terra, and
- (ii) 10,000 tonnes to Omnicane

As at 05 September 2015, 45,824 tonnes from Alteo factory area have already been transferred to Terra and Omnicane.

In view of the delay in starting the harvest, following negotiations, Médine has also agreed to operate the factory during all public holidays and starts crushing at earlier hours after the weekly servicing operation to complete the harvest in due date.

As per the milling programme, the harvest is expected to be completed by the end of December 2015.

I would like to reassure the House that I will personally up on progress of the harvest to ensure that the milling period does not extend to January 2016.

The House will also note that the study undertaken to assess the Economic, Social and Environmental Impact on Mauritius of abolition of Internal Quotas of Sugar in EU Market, has recommended for the sugar factory to operate on a 7-day week. This measure would positively impact on the duration of the crop and the extraction rate as milling would be undertaken when the crop has the highest sucrose content. I have already started the

consultation process with the relevant stakeholders so as to take on board their views prior to the implementation of the recommendations.

Mr Bhagwan: Madam Speaker, apart from what the hon. Minister has informed the House, we all know the difficulties which the small planters are facing. Can the hon. Minister inform the House what other facilities his Ministry or institutions are putting at the disposal of the small planters in these difficult times, especially being given that Médine has started crop late? Apart from the measures which the hon. Minister has informed us, what are the additional measures which he intends to give to the small planters to give them some alleviation in the difficulties they are facing?

Mr Seeruttun: Madam Speaker, as the House is aware, the sugar industry is facing major difficulties at the moment given that the price has gone down drastically with the opening of the market in EU area and, due to that, we have a report that was conducted by Landell Mills Consultant, the recommendations of which have been rendered public. Following that, I have set up a committee which is under the chairmanship of my Permanent Secretary who is looking at the recommendations set in that report, and I am coming with some measures very shortly to address the problems being faced by small planters, planters in general, the employees of the industry and the whole industry at large. Those problems will be addressed in the measures to be communicated very shortly.

Mr Bhagwan: Madam Speaker, I have another supplementary question. Can the hon. Minister inform the House whether the institutions falling under his Ministry have estimated the likely price of sugar for small planters for the current crop to relieve them from the difficulties which I have mentioned, and whether he will see to it that the planters benefit from any increase in the bagasse transfer price, as recommended in one of the reports submitted to him - while the CEB is having windfall gains on one?

Mr Seeruttun: Madam Speaker, like I just mentioned, I am coming with some measures in the near future to address those problems being faced by planters in general, to see to it that their revenues are relooked at, so that they can continue in that activity and continue to have a sugar industry in Mauritius.

Mr Bhagwan: A last supplementary question, Madam Speaker. The hon. Minister has informed us that he is personally having an overlook for the crop season which, according to him, must end by December. Can the hon. Minister inform the House and the planters whether he has prepared an emergency plan in case the crop season does not end by

December, especially with regard to the small planters for the difficult months ahead of them?

Mr Seeruttun: Again, Madam Speaker, like I said earlier on, we are monitoring the situation very closely, and already with the breakdown happening at Médine, which resulted in the late start of the operation of the factory, we had to reallocate canes that were firstly reallocated to Médine to other factories. We are going to, like I said, monitor closely how it proceeds, so that if ever there is need to reallocate further canes to other factories, we will do that to ensure that the harvest period does not go over December 2015. We will make sure that that does not happen this year.

M1 MOTORWAY – SPEED LIMIT

(No. B/493) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix) asked the Minister of Public Infrastructure and Land Transport whether, in regard to the M1 Motorway, he will, for the benefit of the House, obtain information as to the rationale behind the setting of the –

- (a) 80 km/h speed limit when leaving Quatre Bornes to the north, and
- (b) 60 km/h limit when leaving Port Louis to the South.

Mr Bodha: Madam Speaker, I wish to inform the House that the speed limit is one amongst numerous measures to mitigate road traffic hazards and to enhance the road safety and many factors are taken into account when determining the maximum limit for a specific stretch of a road.

These include the calculated design speed, the road alignment, safe visibility distances for overtaking, types and number of vehicles thereat, population and types of activities in the neighbouring areas.

Madam Speaker, with regard to part (a) of the question, I am advised that the 80 km/h speed limit along a stretch of the motorway at the level of the Shoprite Commercial Centre when leaving Quatre Bornes to the North can be explained by a number of factors namely - the calculated design speed when the road was first designed, the topography of the road, geometric design and the width of the lanes. With regard to part (b) of the question, I am advised that a 60 km/h speed limit from Place d'Armes to Caudan roundabout when leaving Port Louis to the South is explained by the fact that the region is characterized with mixed and heavy traffic as a result of the -

- presence of Victoria Square Bus Station and a road side bus layby, and
- presence of other open commercial activities at the level of the Port Louis Central Market and the ex-NTA building.

As a result of the above mentioned factors, the technical staff of the Traffic Management and Road Safety Unit have concluded that the road safety requirements between Place d'Armes and Caudan roundabout warrant the necessity of a road safety zone of 60 km/h to ensure the best balance among pedestrian safety, multi modal vehicular movement and the mobility of traffic.

Dr. Sorefan: Madam Speaker, the hon. Minister has mentioned speed when the road was designed in the beginning. But is the hon. Minister aware that a road is designed to the speed that we want to give? It is not designing the road and then you put a speed. The road was designed in 1960 by Bhurtun Associates - whatever company it was - to the tune of 70 mph, which is equivalent to about 110 kilometres. Could the hon. Minister really consider, if the engineers are not misleading, that this road was designed for 110 kilometres per hour and more so that now we have three lanes? So, it is a golden rule. When you leave a town joining a motorway, you should give the maximum speed to really decongest the road as opposed to congestion.

Mr Bodha: Madam Speaker, this is very technical. I will consider the matter. But, from what I understand, at the time when the road was designed, it was a roundabout; now it has become more complex.

Mr Jhugroo: I think the hon. Minister said in one of his replies that he was going to unify the speed limit on motorways. So, being given that we have got a motorway in the north while we have got several roundabouts, can we know why we have several speed limits on that motorway, from Port Louis to the north, and we have several roundabouts? When you come to a roundabout, you know what you have to do. So, why have we so many speed cameras with so many speed limits? Is the hon. Minister going to review all these speed cameras?

Mr Bodha: I think there are a number of factors like the steep slope, the road alignment, whether it is an urban area. Anyway, the National Road Safety Council that we are going to set up will consider all these matters. What we have done for the time being is a uniform three-possibilities for speed on roads: 60 kilometres, 80 kilometres, 110 kilometres.

In the past, we had 70, 90, 100 and 110. So, we have made it more simple for the time being, but we are going to consider the whole matter for the whole island.

Dr. Sorefan: Hon. Minister, when leaving Port Louis, after the Caudan...

Madam Speaker: Address yourself to the Chair, please!

Dr. Sorefan: Yes. I will just explain, so that the Minister can answer the question. We have three obstacles. The first one, if I may say so, instead of causing decongestion, we are causing congestion. We have three speed cameras within a limit of 1 kilometre and 80 kilometres speed limit up to BMW Garage; after that, the traffic becomes fluid. The second one, just when you leave the Hindu House, we have a traffic light for pedestrians that causes congestion and you have mentioned the safety 60 kilometres. To me, it could have been raised to 80kmh. Would the hon. Minister consider, firstly, that the traffic lights be replaced by a footbridge?

Mr Bodha: I think it is a valuable suggestion. Madam, we have now speed cameras which are at one site; there are spot checks. I have seen a system which is very interesting in South Africa where, in fact, there is a speed check over a segment of the road, when you enter that segment and when you leave it. If you have been speeding over the speed limit, then it flashes. It is an average speed between the segments. We are thinking to introduce this in Mauritius.

DOING BUSINESS IN MAURITIUS - WATER & ELECTRICITY SUPPLY

(No. B/494) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix) asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to doing business in Mauritius, he will state how far his Ministry is improving access to water and electricity to potential investors with the objective of achieving the second economic miracle.

(Withdrawn)

NATIONAL INSURANCE COMPANY – EMPLOYEES – QUALIFICATIONS & SALARIES

(No. B/495) Dr R. Sorefan (Fourth Member for La Caverne & Phoenix) asked the Minister of Financial Services, Good Governance and Institutional Reforms, Minister of Technology, Communication and Innovation whether, in regard to the National Insurance Company, he will, for the benefit of the House, obtain therefrom, a list of the employees thereof in the grade of Managers up to Chief Executive Officer, indicating in each case, the –

- (a) qualifications thereof;
- (b) areas of responsibility thereof, and
- (c) salaries and terms and conditions of employment thereof, including all the other benefits draw.

(Withdrawn)

MAURITIUS & SOUTH AFRICA - DOUBLE TAXATION AVOIDANCE CONVENTION

(No. B/496) Mr R. Uteem (First Member for Port Louis South & Port Louis Central) asked the Minister of Finance and Economic Development whether, in regard to the new Double Taxation Avoidance Convention between Mauritius and South Africa, he will state –

- (a) in what respect it will be more beneficial to Mauritius, and
- (b) if any study has been carried out to assess the impact thereof on the Mauritian economy.

The Minister of Financial Services, Good Governance and Institutional Reforms, Minister of Technology, Communication and Innovation (Mr R. Bhadain): Madam Speaker, the new Double Taxation Avoidance Agreement with the Republic of South Africa was signed by the previous Government on 17 May 2013.

The Republic of South Africa ratified the new Double Taxation Avoidance Agreement on 10 October 2013. Subsequently, Global Business Operators in Mauritius expressed their concerns on the revised Article 4 subsection (3) which deals with the determination of the place of residence through the mutual agreement procedure for dual resident companies. The revised Article 4 subsection (3) did not provide defined criteria to determine residency status through mutual agreement, thus created confusion and uncertainty.

The operators were of the view that companies using the Mauritius South Africa DTA could be denied treaty benefits unilaterally in the event, mutual agreement was not reached between the South African Revenue Services and the Mauritius Revenue Authority on cases referred to them.

A draft MoU detailing the process to be followed by the competent authorities to settle cases of dual residency was sent to the South African Authorities on 26 August 2014.

Counter proposals were received from the South African Authorities on 22 October 2014. The South African Minister of Finance subsequently sent a letter to the Ministry of Finance and Economic Development on 10 March 2015 stating and I quote –

“It is imperative that Mauritius ratify the DTA as soon as possible to eliminate uncertainty for cross border investment clause as well as to prevent abuse of a treaty and Double Non-Taxation of Income. The continued delay in the implementation of these DTA will, unfortunately, leave our authorities with no other option, but to explore alternative unilateral options to curb the abuse of these DTA which will render the current DTA redundant.”

Madam Speaker, this Government was already put before a *fait accompli*. A meeting of the Financial Services Consultative Council was convened on 27 March 2015 with representatives of the Global Business Sector. After discussions, the FSCC agreed on a revised Memorandum of Understanding, which sets both qualitative and quantitative criteria to determine the residency status in cases of companies having dual residence.

Madam Speaker, with regard to part (a) of the question, on 19 and 20 May 2015, representatives of the Mauritius Revenue Authority and the Ministry of Finance and Economic Development met their counterparts in South Africa with a view to finalising the MoU. During the meeting, the South African counterparts made it clear that the DTA should be ratified by Mauritius first and only then the MoU could be discussed, subsequently, to clarify Article 4 subsection (3).

On 21 May 2015, together with the Financial Secretary, I met with the South African Minister of Finance. After negotiations, the latter agreed that Mauritius would ratify the DTA after the MoU is finalised. The South African Minister of Finance also agreed to our proposed changes to paragraphs (g) and (h) of the MoU which read as follows –

paragraph (g) –

“any other factors listed in paragraph 24.1 of the 2014 OECD commentary Article 4 paragraph (3) as may be amended by the OECD BEPS Action 6 Final Report.”

So, what we did was we aligned that paragraph with international best practice and what BEPS was proposing.

Then, paragraph (h) –

“Any such other factors that may be identified and agreed upon by the competent authorities in determining the residency of the person.”

The MoU was signed on 22 May 2015 and within six days, Madam Speaker, the double Tax Avoidance Agreement was finally ratified by Mauritius on 28 May 2015.

Madam Speaker, the revised treaty with the MoU will bring the following advantages to Mauritius –

- (i) the MoU, on the mutual agreement procedure on the determination of residency status for dual residence companies now brings more certainty, predictability and also clarity to the process bringing thus, more substance to the Mauritian jurisdiction;
- (ii) Action 6 of Base Erosion and Profit Shifting (BEPS) preventing treaty abuse is of particular importance to our financial services sector, as has been explained on so many occasions by my colleague, the hon. Minister of Finance and Economic Development and the MoU prevents treaty abuse and brings new substance requirements which is now more than ever of importance in the light of the BEPS initiatives. Mauritius has taken thus, a further step as compared to its competitors in this regard;
- (iii) if we look at clauses 2 (a) and 2 (h) of the MoU from an alternate perspective, it is interesting to note that South Africa has effectively given the biggest boost to Mauritius Regional Headquartering proposals for South African corporates, thus, making us that gateway for Africa;
- (iv) with the new MoU it now makes sense for South African multinationals to segregate their non-domestic business and house their whole entity or their headquarters in Mauritius;
- (v) the duration for a construction site, for example, building site, installation or assembly project to constitute what is defined as permanent establishment, has been revised from nine months to 12 months. The longer period, Madam Speaker, is more convenient for investors to qualify as permanent establishment;
- (vi) profits from the operations of ships or aircrafts will now be taxed in the country where the enterprise is situated as compared to the place of effective

management in the previous treaty. This, Madam Speaker, is in line with the OECD model Convention and brings Mauritius forward as a jurisdiction of substance;

- (vii) the taxing rights on dividend income is shared between both countries. The tax rate in the country of source is limited to 5% in case of a holding of at least 10% and in other cases, the tax rate is limited to 10%. Under the previous agreement, Madam Speaker, the tax rate was 15%. Taxing rights on interest is now shared by the country of residence and the country at source. The tax at source is subject to a cap of 10 percent. Even though there was no tax on interest under the previous DTA, the current tax rate of up to a maximum of 10% is still better than the 15% domestic tax rate on interest which is prevailing in South Africa, and
- (viii) lastly, the taxing right on royalties is also shared between the country of residence and the country of source up to a maximum tax rate of 5% in the country of source which is much better than the domestic South African tax rate of 15%.

Madam Speaker, with regard to part (b) of the question, in the case of a new DTA, the treaty was already signed as far back as May 2013. The MoU which was renegotiated in May 2015 now brings clarity, predictability and much-needed certainty to investors.

Madam Speaker, I am informed that there have been no studies undertaken at the time the treaty was signed in 2013. Nevertheless, I am pleased to inform the House that the ratification of this new treaty and the MoU is already now yielding benefits to our global business sector. I am informed that one regional bank in South Africa has already registered two structured products on the Stock Exchange of Mauritius. Two GBC1 companies, one exchange traded fund and one structured product from an international bank have already made request to list on the Stock Exchange of Mauritius with dual listings on other African exchanges.

I am further informed by the....

Madam Speaker: Hon. Minister, I think you have already replied to your question. Would you, please, allow the Opposition to put their supplementary questions?

(Interruptions)

Mr Uteem: Thank you, Madam Speaker. It is one of these questions where no one wants to take the paternity. The hon. Minister of Finance and Economic Development is not answering this question; he answered for the DTA with India. Today, the hon. Minister says that it is not his doing. In 2013, when I asked hon. Xavier-Luc Duval, he said to me that was before he joined his Ministry in January 2011, saying in effect that it is hon. Pravind Kumar Jugnauth who took the decision.

(Interruptions)

In 2013, when I asked the hon. Minister about this treaty, this is what he said –

“We are not happy at all with the agreement as it stands. There are various things we can look at, grandfathering being one of them, as I mentioned, a greater clarity between the two revenue authorities. The other thing, Mr Deputy Speaker, Sir, is a most favoured nation clause.”

So, my question is: why is it that when in 2013 the Ministry of Finance had already stated that we were not happy with the treaty and we were going to renegotiate at least these things, this Government has gone along and ratified the South African treaty, with all the flaws that had already been identified back in 2013?

Mr Bhadain: Madam Speaker, let me first start by saying that teamwork is something that needs to be understood, and people, on this side of the House, work as a team. Both me and the hon. Minister of Finance and Economic Development work as a team. I mean the team over there has been split into two and we can see it!

(Interruptions)

To answer the questions of the hon. Member, of course, negotiations have taken place, of course, the interest of Mauritius has been looked at, and I was, in fact, reading the results of what has been achieved. If we go into the detail that the hon. Member wants to go to, previously paragraph (g) stated, and I quote –

“Whether determining that the legal person is a resident of one of the contracting States but not of the other for the purpose of the agreement, would carry the risk of an improper use of the provisions of the agreement.”

This has been changed, Madam Speaker, after negotiations, to any other factors listed in paragraph 24 of the OECD commentary. So, what we have done is we have, in fact, aligned it to international best practice. Also, paragraph (h) -

“Any other factors that may be deemed relevant by the competent authorities in determining the residency of such person (...)”

That has now changed to –

“Any such other factors that may be identified and agreed upon before by the competent authorities in determining the residency of the person (...)”

I think my hon. friend should relook at the definition of “flaw” in the dictionary.

(Interruptions)

Madam Speaker: Yes, hon. Leader of the Opposition!

Mr Bérenger: The hon. Minister told us that this new Government was faced with a *fait accompli*. Indeed, in 2013, the then Government, with hon. Xavier-Luc Duval as Minister responsible, he was Minister of Finance when it was signed - it was ratified by Parliament in South Africa and here, unfortunately, such documents are ratified by Cabinet, it was not ratified. Has the Minister had time to discuss with the then Minister of Finance? Secondly, what happened exactly in 2013? How is it that it was signed and then it was discovered that it is not a good treaty, it cannot be ratified? What had happened in 2013?

Mr Bhadain: I did discuss the matter with the hon. Deputy Prime Minister and, in fact, what had happened, Madam Speaker, was after having signed the agreement, there were certain representations which were made by operators in the sector in Mauritius and they expressed certain concerns to the fact that the residency status, the criteria, as I have explained in my answer before, was not clearly defined. So, they wanted more clarity. And as a result of this, the Ministry of Finance, I understand, then drafted a MoU and sent it to South Africa to bring clarity to Article 4 (3). Then, of course, they replied, we came in and sorted out the matter, and it is now history.

Mr Bérenger: But, it is worth for the future to learn from past mistakes. What happened in 2013? Was it that there were not proper consultations with the operators, with the result that a Double Taxation Avoidance Agreement was signed and then discovered to be faulty according to the Mauritius side?

Mr Bhadain: Well, what I understand, Madam Speaker, is that the operators made their representations after the signature of the agreement then, and then, of course, it went on to be ratified by South Africa. But Mauritius did not ratify because they wanted clarity through the MoU. We went, finalised the MoU and ratified the treaty.

I would also say, Madam Speaker, when you look at Global Finance Mauritius report which was issued after the treaty was signed, it goes on to say, GFM's views –

“The MoU brings more certainty and predictability.”

It goes on to say that if we view the MoU clauses (a) to (h) below from an alternate perspective, it would be interesting to note that South Africa has effectively given the biggest boost to Mauritius Regional Headquarters proposition for a South African Corporate. It is not me saying this! It is the GFM, the operators!

Mr Bérenger: If we come to the present, can I get it very clearly? An agreement, a Double Taxation Agreement was signed, not ratified by Mauritius, ratified by South Africa. Now, the same Double Taxation Avoidance Agreement has been signed and ratified. Then I'll come to the Memorandum of Understanding. But the fact is: will he agree that the same Double Taxation Avoidance Agreement that was found to be faulty has been ratified by Mauritius? Now, added to that, the treaty has stayed exactly the same. Added to that is the Memorandum of Understanding. Can I know whether, legally, that Memorandum of Understanding has to be ratified by the South African side and, if yes, has it been so ratified?

Mr Bhadain: Madam Speaker, I don't know whether the hon. Leader of the Opposition does not understand or whether ...

(Interruptions)

Or he is confused by the time.

(Interruptions)

Madam Speaker: Hon. Minister please! Don't provoke!

(Interruptions)

Order please! Hon. Minister, please don't provoke. Don't make comments, reply exactly to the questions which are being asked, please.

Mr Bhadain: It is very simple for anybody who wants to understand to understand, Madam Speaker. So, the agreement was the treaty, the MoU is the MoU, it is very clear. Now, the treaty has been signed, ratified by South Africa under the previous Government, which the hon. Leader of the Opposition was going to go and be in bed with.

Now, the MoU ...

(Interruptions)

Madam Speaker: Allow the hon. Minister to reply please! Allow him to reply and we will see afterwards.

Mr Bhadain: The MoU is a document which ...

(Interruptions)

Madam Speaker: Hon. Mohamed! Don't make comments from a sitting position. Please! Don't make comments from a sitting position!

Mr Bhadain: The MoU, Madam Speaker, brings clarity to clause 4 sub section 3 of the treaty. The treaty was never faulty, the treaty was unclear as to the residency status which is stated in article 4, sub section 3. That is why, following representations made by operators, a MoU was sent to South Africa to say 'please clarify what are the criteria to define this'. Now, what we've done is we've seen that what was defined as criteria in the treaty was not in the best interest of Mauritius with regard to paragraphs 'g' and 'h' and we went to South Africa, we explained that to the Minister of Finance, it was negotiated, it was discussed, it was agreed and the MoU was signed. Now, when the MoU is signed, it becomes part of the treaty, we all know. Of course, it does. Then the treaty was ratified by way of regulations in Mauritius. That is simple as that. Anybody who wants to understand will understand.

Madam Speaker: Is there any other question on this issue? New question, hon. Uteem!

VACOAS POPULAR MULTIPURPOSE COOPERATIVE SOCIETY – ALLEGED FRAUD - INQUIRY

(No. B/497) Mr R. Uteem (First Member for Port Louis South & Port Louis Central) asked the Minister of Business, Enterprise and Co-operatives whether, in regard to the Vacoas Popular Multipurpose Cooperative Society, he will state if any investigation has been carried out into the allegations of fraud thereat and, if so, indicate the outcome thereof.

Mr Bholah: Madam Speaker, following allegations of fraud at the Vacoas Popular Multipurpose Cooperative Society, an inquiry was conducted by a panel of three inspectors appointed by the Registrar of Cooperatives as from September 2013.

Subsequently, the Inspectors' Report dated December 2014 revealed several financial and managerial irregularities such as –

- (a) huge amounts of loans were made by the society without ensuring adequate security from loanees;

- (b) high amounts of non-performing loans;
- (c) severe liquidity problems due to mismatch between members' fixed deposits reaching maturity and availability of funds;
- (d) high level of debts impairment, and
- (e) the then existing management and Board of Directors did not exercise due diligence and prudence in the performance of their duties.

Mr Uteem: May I know from the hon. Minister whether the investigation carried out has revealed any shortcomings at the level of the Cooperative Division in their supervision of the Cooperative in question?

Mr Bholah: Madam Speaker, I don't think so because as soon as the Registrar of Cooperatives received information to that effect, the Registrar of Cooperatives appointed three inspectors, just as I have stated, to conduct the inquiry.

Mr Uteem: The hon. Minister is talking about what happened after the allegation of fraudulent practice had been unveiled. My question is whether, before that time, there were no shortcomings from the officers of the Cooperative Division in failing to identify those defective loans in the audited accounts, for example.

Mr Bholah: As the turnover of this Cooperative Society exceeds the threshold of Rs10 m., it is mandatory that they appoint an external auditor. External auditors have been appointed to audit the respective accounts for each financial year and, on top of that, there was an internal auditor appointed by the Board, by the society. So, there was nothing as information, and when they account the file for the previous years -

- Year 2011 it was a clean report;
- Year 2012 it was a clean report;
- Year 2013 it was a clean report, and
- Year 2014 qualified audit report.

Mr Bérenger, Madam Speaker, we've just gone through the BAI affair and the FSC, as a regulatory body, which has been heavily criticised. Rightly so! Is the hon. Minister really telling us that, as far as this Vacoas Popular Multi Purpose Cooperative is concerned, he is fully satisfied that the Registrar of Cooperatives, his own Ministry, are adequately staffed, and have done their work for the past years the way it should be done? Is he really telling us that?

Mr Bholah: We are looking into this question because I understand that the Division is understaffed. They used to have 40 inspectors, now they are operating with only 24 inspectors and there has been an increase in the number of Cooperative Societies.

Mr Ganoo: Does the hon. Minister think that there has been a failure in the regulatory duties of the Registrar of Cooperatives inasmuch as annually the financial statements were being provided to him and he should have audited them and made further investigations?

Mr Bholah: As I said, the audit opinion was a clear audit report and the Registrar of Cooperatives took it to be so.

Mr Uteem: Madam Speaker, will consideration be given to bring the necessary amendments to the Cooperative Act so that officers of the Cooperative Division are empowered to ask questions and investigate into Cooperative Societies, so that we don't have a repeat of what has happened in this credit union?

Mr Bholah: Of course, we are working on the amendments.

Mr Ganoo: Can I ask the hon. Minister whether he will assure the Members of the Cooperative and the House, at large, that there is no possibility of liquidating that society?

Mr Bholah: In fact, Ernst and Young has been appointed to manage the Cooperative Society because the previous Manager has been asked to leave. They came with a report where there were two options: the first option was to inject a sum of Rs432 m. from the shareholders, otherwise they would have to go into liquidation. But, as the Cooperative Act provides that any liquidation should go through a special general meeting and, obviously, this decision was rejected, instead members have come up with suggestions that they will come up with rescue plans. So, we are waiting for rescue plans instead of going into liquidation.

Mr Uteem: Madam Speaker, we have seen in the case of the BAI saga how Government and the Ministry are trying hard to get back the money and pay back the money of policyholders. May I know from the hon. Minister whether Government is conceiving having a similar approach to those members of the cooperative societies who have lost money as a result of this fraudulent practice?

Mr Bholah: No. It is not the policy of this Government to salvage ailing cooperative societies as a result of malpractices, etc.

Madam Speaker: Last question, hon. Bhagwan!

Mr Bhagwan: On the same question, Madam Speaker, can the hon. Minister inform the House whether when he met the people there he has given them false hope initially?

These poor people have had problems with the Manager and the hon. Minister has given them false hopes, ultimately that Government will come in with a rescue plan and even give money. So, May we know what the hon. Minister is doing now to, at least, help certain people who are having problems?

Mr Bholah: In fact, this...

(Interruptions)

Madam Speaker: Yes, hon. Minister!

Mr Bholah: In fact, I am very sympathetic to the cause of the depositors, but I have never given any assurance that Government will inject money in the cooperative society.

Madam Speaker: Next question, hon. Uteem!

UNEMPLOYMENT, PUBLIC DEBT & FOREIGN DIRECT INVESTMENTS

(No. B/498) Mr R. Uteem (First Member for Port Louis South & Port Louis Central) asked the Minister of Finance and Economic Development whether, in regard to the period January 2015 to date, he will state the -

- (a) unemployment rate;
- (b) public sector debt, and
- (c) amount of foreign direct investments.

Mr Lutchmeenaraidoo: Madam Speaker, unemployment rate and public sector debt figures are usually provided with reference to one point in time and not over a period of time.

For the 1st quarter of 2015, the unemployment rate was 8.7 per cent. The unemployment rate for the 2nd quarter of 2015 is currently estimated at around 7.8 per cent, which confirmed an improvement in the unemployment situation over the first quarter. On the basis of the many projects underway, we can expect the unemployment rate to further improve for the year 2015. I wish to remind the House that Statistics Mauritius has projected an unemployment rate of 8 per cent for 2015.

Apart from the projects that have been approved in the Fast Track Committee, including the Smart Cities projects that would create new employment opportunities in the private sector, the YEP programme, which covered private enterprises only, is now being extended to the Public Sector. Thus, some 250 graduates and 750 non-graduates, that is, a

total of 1,000 youth will be recruited. Furthermore, the filling of 7,000 funded vacancies in the public service is being accelerated.

With regard to part (b) of the question, as at 30 June 2015 public sector debt, for the purpose of the statutory debt ceiling, stood at Rs222.1 billion, representing 56% of GDP compared to 53.1% as at 30 June 2014. This increase is mainly attributable to -

- The short-term line of credit of Rs3.5 billion contracted by the National Property Fund.
- It is also due to the fact that the revaluation of the foreign debt stock due to depreciation of the Rupee vis-à-vis the US Dollar, the Pound Sterling and the Chinese Yuan.

As regards part (c) of the question, gross FDI inflows during the period January to June 2015 are estimated at around Rs4.8 billion.

Mr Uteem: Madam Speaker, the hon. Minister of Finance and Economic Development has just confirmed that the unemployment rate for 2015 is projected at 8%, which is higher than the rate of 7.8% for the year 2014. This being the case, will the hon. Minister Finance and Economic Development maintain that the Government is still on track to create 10,000 jobs between now and the end of the year?

Mr Lutchmeenaraidoo: I gave you a few figures. In fact, since 2010, the average unemployment rate has been 7.8%. It moved up to 8% in 2012 and 2013. Now, we have projected an unemployment rate of 8% in 2015. The good news - I need to say that's great news for me - is that in the first quarter there was a deepening of unemployment from 8% to 8.7% and then, in the second quarter, we are expecting a rate of 7.8%. This is a substantial improvement in the level of unemployment. In fact, on the basis of what is happening, I have no doubt that in 2015, we will be below the 8% projected by Statistics Mauritius.

Mr Uteem: Still on the unemployment rate, the hon. Minister Finance and Economic Development mentioned that there is an improvement with the second quarter. Statistics Mauritius is not out yet with the official figures. We have only Q1 2015, which talks about 8.7%. So, may I know from the hon. Minister of Finance and Economic Development whether this improvement in the rate of unemployment relates to people of less than 25 years old, whether the new job creation affects those people who are less than 25 years old or more than that?

Mr Lutchmeenaraidoo: Well, I need notice of this question. But, what is clearly shown here, and I am quite happy, today is that unemployment is going down in the country and that's a good news for all of us.

Mr Uteem: With respect to the Foreign Direct Investment (FDI) figures, the hon. Minister Finance and Economic Development mentioned the figure of Rs4.8 billion. Is he satisfied that nine months through the year there is only Rs4.8 billion of investment when the hon. Prime Minister himself announced more than Rs150 billions of investment over the next five years?

Mr Lutchmeenaraidoo: Well, I need to correct the hon. Member. The figure of Rs4.8 billion which is presented here represents the first semester. We have just come out of the election and it is quite normal that, during election period, FDI goes down. Let us wait and see. In fact, we are projecting for 2015 an FDI of more than Rs10 billion but, as I say, we are still speaking about transfer of money. Projects which have been approved will materialise with FDI coming in the country. So, the trends are clear. I have no doubt that next year would be - in the words of the former Minister of Finance and Economic Development - a bumper crop in terms of FDI.

Mr Ramful: The hon. Minister made reference to the Youth Employment Programme. Currently, the Youth Employment Programme is being financed by the private sector and the hon. Minister has proposed that this would be extended to the public sector as well. May I know from the hon. Minister who is going to pay for those who are going to be employed by the public sector?

Mr Lutchmeenaraidoo: I hope I got the hon. Member's question right. The Youth Employment Programme was under my Ministry and then moved to the Ministry of Labour, Industrial Relations, Employment and Training. So, what we are doing now, is that I have increased the budget of the Ministry of Labour, Industrial Relations, Employment and Training for Youth Employment Programme (YEP) and phased out the Service to Mauritius Programme, which is much more costly. So, we are, in fact, making the programme more accessible to a larger number of people, graduates and non-graduates.

Madam Speaker: Hon. Uteem!

Mr Uteem: Thank you, Madam Speaker. Again, on the question of Foreign Direct Investment, may I know from the hon. Minister of Finance and Economic Development, out

of these Rs4.8 billion, what is the percentage of investment in real estate and what percentage relates to productive assets like manufacturing and other sectors?

Mr Lutchmeenaraidoo: I need notice of this question also. The hon. Member should know that those figures are quite indicative. In fact, the Bank of Mauritius gradually worked out those figures and at times the figures can be quite higher. So, it is just indicative, and I don't have the breakdown per sector.

NTC - FINANCIAL STATEMENT

(No. B/499) Mr S. Rughoobur (Second Member for Grand'Baie & Poudre d'Or) asked the Minister of Public Infrastructure and Land Transport whether, in regard to the National Transport Corporation, he will, for the benefit of the House, obtain therefrom, information as to the financial situation thereof in respect of the six months ending 30 June 2015, indicating the -

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

Mr Bodha: Madam Speaker, I am informed that the financial statements for the year 2014 as well as the statements for the period ending 30 June 2015 have not yet been completed as there has not been a full-fledged Financial Controller at the NTC since June 2008. These are expected to be completed only in around a month time. As regard to year 2013, the net cash flow of the NTC according to the audited financial statements amounted to Rs217.35 m.

With your permission, Madam Speaker, I am tabling the cash flow statement.

As regards part (b) of the question, I am informed that the National Transport Corporation has consistently been incurring losses since 2007-2008, except for 2011 and 2012, when profits were registered due partly to changes in Accounting Standards.

The audited accounts of the NTC for the year 2013 which have just been finalised showed a loss of Rs89.07 m.

Madam Speaker, I consider the situation at the NTC to be a catastrophic one for a number of years. The financial situation of the NTC has deteriorated as a result of collective agreement in 2013 and NRB Regulations in 2015. In fact, the collective agreement provides for 15% increase in wages in 2013, 2% in 2014 and 2% as from August 2015, whereas the NRB Regulations provide for an increase of 15% as from January 2015, that is, this year.

The overall impact of the wage increases following the collective agreement and the implementation of recommendations of the NRB Regulations are estimated to be around Rs14 m. per month involving a total of Rs183 m. since 2013.

Madam Speaker, since my assumption in office, I have taken a series of measures with a view to improving the situation, namely -

- (i) to fill the strategic positions at the managerial level which have remained vacant for years. These vacancies have been recently advertised and the selection exercise is underway;
- (ii) to renew the fleet of the Corporation within the shortest delay. In this wake, 100 new semi low-floor buses are being procured in order to reduce operational costs and improve the service to the travelling public. The delivery is expected in March 2016 at latest;
- (iii) to embark on an efficient improvement plan with specific focus on revenue generation, fuel consumption, vehicle maintenance and labour-related costs;
- (iv) to introduce a modern fare collecting system based on smart cards and in addition, Madam Speaker, to enabling the optimum use of human resources, this measure will equally yield the benefit of eliminating pilferage, and
- (v) to resort to a multi-skilling programme to boost productivity.

Madam Speaker, as regards part (c) of the question, I am informed that no loan has been secured from Government since the year 2013.

Mr Rughoobur: It is clear, when we listen to the reply of the hon. Minister, that CNT - the hon. Minister, I am sure, will agree - is a question of failed leadership. Since several years, 2008 until now, there is no financial control at the Corporation. Three things, I am sure the hon. Minister would agree...

Madam Speaker: Hon. Rughoobur, please ask your question!

Mr Rughoobur: May I ask the hon. Minister to confirm that there is an urgent need? Recruitment, yes! But to review completely the organisation structure of the Corporation and to ensure not only that we recruit the best, but also that the best that we recruit are also paid the package as per market rate. Otherwise, we are not going to get the best. So, may I ask the hon. Minister to look into the organisational structure and to be very careful on the recruitment at senior management level and the CEO?

Mr Bodha: Madam Speaker, this is a very valuable suggestion and this is, in fact, what we are going to do.

Mr Jhugroo: Hon. Minister, being given that the...

Madam Speaker: Address the Chair!

(Interruptions)

Mr Jhugroo: Yes, Madam Speaker. Hon. Minister, being given that the fuel consumption of buses purchased in year 2007 was more than the revenue, would the hon. Minister consider to open an inquiry and take action?

Mr Bodha: Well, we are having a national in-depth study on the national land transport and the second part of it is going to be a thorough in-depth inquiry on the functioning of the National Transport Corporation.

Madam Speaker: Hon. Rughoobur!

Mr Rughoobur: Thank you, Madam Speaker. Will the hon. Minister also look into the possibility of the CNT tying up with a local or foreign strategic partner? Maybe if we get a leasing company, it might tie up with the CNT for financing purposes. Because I understand that Government has been putting lots of funds since several years now.

Mr Bodha: Well, Madam Speaker, this can be a suggestion. In fact, we have Africa Fleet Management which is proposing to Mauritius to have a leasing system for bus owners. We can consider them, but, anyway, we have already launched a first tender for 500 buses over five years.

Mr Jhugroo: Madam Speaker, can I ask the hon. Minister what amount of unused spare parts that have been purchased are lying in the store of the CNT up to now?

Mr Bodha: Madam Speaker, this will require a thorough inventory, which we have not done. I need a specific notice of that question.

Madam Speaker: The Table has been advised that PQ B/516 and PQ B/517 have been withdrawn. Next question, hon. Rughoobur!

AFRICAN UNION - AGENDA 2063

(No. B/500) Mr S. Rughoobur (Second Member for Grand’Baie & Poudre d’Or) asked the Minister of Foreign Affairs, Regional Integration and International Trade whether, in regard to the Agenda 63 of the African Union, he will state the initiatives taken by his Ministry for the promotion of trade between Mauritius and the African continent through bilateral relations with countries of the Regional Economic Community.

Mr Sinatambou: Madam Speaker, Agenda 2063 of the African Union, adopted at the AU Summit in January 2015, is a transformative continental agenda which has been articulated into seven main aspirations, namely –

- (i) a prosperous Africa based on inclusive growth and sustainable development;
- (ii) an integrated Continent, politically United, based on the ideals of Pan Africanism and the Vision of Africa’s renaissance;
- (iii) an Africa of Good Governance, Respect for Human Rights, Justice and the Rule of Law;
- (iv) a peaceful and Secure Africa;
- (v) an Africa with a strong cultural identity, common heritage, values and ethics;
- (vi) an Africa whose development is people-driven, especially relying on the potential offered by its women and youth, and finally
- (vii) Africa as a strong, united, resilient and influential global player and partner.

According to a report of the African Union Commission, Agenda 2063 paints a vivid picture of where Africans would like to see their continent, when Africa celebrates the centenary of the founding of the Organisation of the African Unity (OAU).

Madam Speaker, given its long-term vision, the African Union Agenda 2063 has been segmented into five ten-year plan frameworks. Each ten-year Action Plan will focus on issues pertinent to the period it covers, but will be aligned with the expected overall outcome envisaged in each of the seven aspirations of Agenda 2063.

The House may wish to know, in this respect, that the first ten-year implementation plan was only adopted at the last African Union Summit held in June 2015 and that the

Mauritius Embassy in Addis-Ababa has been pursuing discussions with the African Union to depute a technical support mission to Mauritius in view of sensitising and assisting national stakeholders in the domestication of Agenda 2063 of the African Union.

Accordingly, Madam Speaker, it would be inaccurate to state that my Ministry has taken initiatives with regard to Agenda 2063 for the promotion of trade between Mauritius and the African Continent through Bilateral Relations with countries of the Regional Economic Communities to which Mauritius belongs given that implementation has yet to start. Nonetheless, Madam Speaker, I can report that my Ministry has certainly taken several initiatives for the promotion of trade between Mauritius and the African Continent through Bilateral Relations with countries of the Regional Economic Communities to which we belong.

Madam Speaker: Yes, hon. Rughoobur!

Mr Rughoobur: Thank you, Madam Speaker. May I ask the hon. Minister if his Ministry is considering appointing Trade Advisers in those eight economic blocks, in order to ensure that we are in line with this Agenda 2063 and to ensure that once implementation is being done, the Ministries in Mauritius are fully in tune with the spirit of Agenda 2063?

Mr Sinatambou: As I just explained, Madam Speaker, Agenda 2063 itself was adopted in January of this year, and the first ten-year implementation plan was adopted in June. We have been currently pursuing negotiations with the African Union for them to bring in some technical support missions. In this respect, it is, therefore, premature to think of appointing specialists. For the time being, trade and investment specialists have been, in fact, the prerogative of the Ministry of Finance and Economic Development. But I must say that one must bear in mind that we are here speaking of a 100-year plan. So, we have to give it the time that it requires just to work out even the first 10 years.

Mr Ganoo: Can the hon. Minister inform the House whether, within the framework of this Agenda 2063, any trade agreement has been signed with any African countries so far?

Mr Sinatambou: Following my first reply, I did explain that it would be inaccurate for me to say that we have initiated any agreement and so on, in view of the fact that the implementation has yet to start, but I went on to say that, however, my Ministry has launched a number of initiatives. As an example, I have myself met the Minister of Foreign Affairs of Angola. Angola has a GDP of nearly 125 billion USD compared to our 12.5 billion dollar GDP, but we do not have a visa waiver agreement for our business people and the Angolans

are quite opposed to having an open immigration policy or an open visa waiver policy because of illegal immigration happening there. So, we are working on that.

Also, I must point out that we discovered that an Investment Promotion and Protection Agreement draft was sent to Angola as far back as 2013, but no response had been received; same for a Double Taxation Avoidance Agreement which was sent since 2011 and a request renewed in 2013. So, this is part of the initiatives which are being taken at the level of my Ministry, indeed, in conjunction with the Ministry of Finance and Economic Development, but that is just one of several countries we are dealing with at the moment.

Mr Sesungkur: Madam Speaker, the former Government had laid a lot of emphasis on economic diplomacy. Has the hon. Minister got certain information about the outcome of the previous Government policies and what has been achieved so far?

Mr Sinatambou: I think it would be better to lay emphasis on the present and on the future than on the past. In that respect, I think it would be good for Members to perhaps take note that there are a number of key indicators and milestones which are contained in the draft of Agenda 2063, which are actually quite promising, and I suppose my good friends, on both sides of the House, would rather like that we concentrate on what we can do well as opposed to what we did badly.

Mr Mohamed: Madam Speaker, we are talking about what the economic diplomacy of the previous Government was on the results and the hon. Minister is failing to say that the roving ambassadors of the previous regime were, in fact, Members of the PMSD...

Madam Speaker: Put your question.

(Interruptions)

Come back to the question, please!

Mr Mohamed: Let us drop the issue about them having been of the PMSD and get the question as you request. Could the hon. Minister consider the possibility - in light of Agenda 2063 and the necessity of integration of all African countries and all the issues that were referred to - of looking into agreements with various African countries on labour mobility, since he has rightly shed light on the financial strength of countries such as Angola and the possibilities of employment, labour mobility for Mauritians in those African countries and to benefit and take advantage of the growth that those countries are experiencing?

Mr Sinatambou: In fact, not only my Ministry, but the Government, in general, is certainly working on the mobility of natural persons into not only Africa, but also into the rest of the world. This is why Mauritius is now participating in the negotiations for the Trade in Services Agreement, because one of its components is about the mobility of natural persons. So, this is being done currently.

Mr Mohamed: With regard to the issue at the level of the World Trade Organisation, undoubtedly this is a multi-party negotiation. It is good that the hon. Minister refers to it, but then again, bilateral agreements leaving aside the Agenda of the World Trade Organisation and negotiations for labour mobility on a bilateral plateau could be considered still by this Government in order to accelerate matters instead of waiting for the negotiations at the level of the World Trade Organisation.

Mr Sinatambou: Well, this is also being done. Perhaps, for the information of my good friend on the other side of the House, I should say that, yes, it is true that, at the WTO level, we are speaking about Multilateral Agreements, but as regards (TiSA) the Trade In Services Agreement, this is a plurilateral agreement, and we are also pursuing matters at the bilateral level. Suffice it to say that there is something from the World Bank called APEI (Accelerated Programme for Economic Integration) which also involves the mobility of natural persons, on which Mauritius is currently working.

QUATRE BORNES – MARKET – CONSTRUCTION

(No. B/501) **Mr K. Ramano (Third Member for Belle Rose & Quatre Bornes)** asked the Minister of Local Government whether in regard to the proposed construction of a new market in Quatre Bornes, he will, for the benefit of the House, obtain from the Municipal Council of Quatre Bornes, information as to if a final decision has been reached in respect of the -

- (a) site identified therefor, and
- (b) amount of funds earmarked therefor.

Dr. Husnoo: Madam Speaker, I am informed by the Municipal Council of Quatre Bornes that, following the abandonment of the LRT project, a proposal for the reconstruction of the Quatre Bornes market was under consideration. However, no final decision has yet been taken by the Council.

In fact, I understand that there is a proposal to construct a modern market, together with commercial outlets on the site where Guy Rozemont Stadium is currently situated.

Informal discussions on the matter have already started between the Minister of Public Infrastructure and Land Transport, the Minister of Financial Services, Good Governance and Institutional Reforms and Technology, Communication and Innovation and myself. Further discussions are expected on the issue in the coming months.

Mr Ramano: Votre question a fait l'objet de plusieurs interpellations. Est-ce que je peux savoir du ministre si un *Traffic Impact Assessment* a été commandité par la mairie de Quatre Bornes, prenant en considération le grave problème de trafic qui existe entre la région de La Louise et l'hôpital Victoria?

Dr. Husnoo: As I mentioned, these are informal discussions which have started, but further discussions will have to be done. So, up to now, no traffic assessment has been done because we are at very preliminary stages, and we will have to take a lot of things into consideration in the months to come.

Mr Jhugroo: Madam Speaker, being given that the former Government had been selling a dream to the inhabitants of Quatre Bornes for the past 10 years, would the hon. Minister consider to get this project to become a reality if it is possible, as far as possible?

Dr. Husnoo: As I mentioned, Madam Speaker, we are working on it and we hope we can make it.

Mr Ramano: Madame la présidente, le stade de Candos est la seule infrastructure sportive qui existe dans le centre-ville de Quatre Bornes. Est-ce que la municipalité pourrait envisager à la place du marché de Quatre Bornes, les marchés de quartiers, prenant en considération que les députés de la Circonscription No. 14, de 2010 à 2015, ont, conjointement avec la mairie de Quatre Bornes, entamé des pourparlers pour l'acquisition du terrain, communément appelé 'Terrain Balance', qui se trouve entre la résidence Kennedy et la région de Bassin?

Dr. Husnoo: As I mentioned, Madam Speaker, these are preliminary discussions that we have started.

(Interruptions)

It may take five years or maybe 10 years, but we are working on it!

(Interruptions)

Unlike you! What have you done for the last 10 years? Nothing!

(Interruptions)

Anyway! I have mentioned this is a preliminary...

(Interruptions)

Madam Speaker: Order, please!

(Interruptions)

Dr. Husnoo: No! Now, listen...

(Interruptions)

Madam Speaker: Order!

Dr. Husnoo: No! What have you done for 15 years? What are you talking about?

Madam Speaker: Can you allow the hon. Minister to reply, please?

(Interruptions)

Dr. Husnoo: What have you done for 15 years?

(Interruptions)

Madam Speaker: Hon. Uteem! Hon. Uteem, please!

(Interruptions)

From a sitting position, I have said no comments! There will be no order in the House otherwise.

Dr. Husnoo: Yes, Madam Speaker, as I mentioned in my reply, it is an informal discussion. We are going to take on board all the suggestions and then we will decide in the best interest of the people of Quatre Bornes.

(Interruptions)

Madam Speaker: Last question, hon. Dr. Sorefan!

Dr. Sorefan: Like the hon. Minister said, the light rail project is shelved and will not be on the track where the market is. May I know whether the hon. Minister will consider strongly that, as the site is there, why not improve and build the market on the same site where it is right now?

Dr. Husnoo: As we see, there are different opinions on that. Some people want to build it where the rail track was, some people want to move to Candos and some people want other places. That is why I said we are having discussions and then we will decide in the best interest of the people of Quatre Bornes.

(Interruptions)

Madam Speaker: Next question, hon. Leopold!

RODRIGUES – SPECIALIST DOCTORS

(No. B/502) Mr J. Leopold (Second Member for Rodrigues) asked the Minister of Health and Quality of Life whether, in regard to the shortage of specialist doctors in Rodrigues, especially of gynaecologists, he will state the remedial measures being envisaged in relation thereto.

Mr Gayan: Madam Speaker, there are presently 25 Specialists/Senior Specialists (Obstetrics & Gynaecology) in post in my Ministry and there are 10 vacancies.

One Specialist/Senior Specialist in each of the following fields is posted to Rodrigues on a monthly basis –

- (i) Obstetrics and Gynaecology
- (ii) General Surgery
- (iii) Anaesthesia
- (iv) Orthopaedic Surgery
- (v) Paediatrics, and
- (vi) Radiology

In addition, one Specialist in internal medicine and one specialist in Psychiatry are on the establishment of the Rodrigues Regional Assembly.

I wish to point out that Specialists/Senior Specialists in other fields are also posted to Rodrigues on short visits of one or two weeks' duration namely –

- (a) Cardiology
- (b) Dermatology
- (c) ENT

- (d) Neurosurgery
- (e) Radiotherapy
- (f) Oral surgery
- (g) Ophthalmology
- (h) Orthodontics
- (i) Physical Medicine
- (j) Plastic and Reconstructive Surgery

Madam Speaker, as regards remedial measures envisaged to palliate for the shortage of Obstetrics/Gynaecologists in Rodrigues, I wish to inform the House that my Ministry has taken the following measures –

- (a) Thirty-eight vacancies in the grade of Specialists including ten in the field of obstetrics/gynaecology have been reported to the PSC. The vacancies were advertised on 03 July 2015 and the closing date was 23 July 2015. The recruitment selection exercise is currently underway at the Public Service Commission level.
- (b) My Ministry has granted study leave without pay to five Medical and Health Officers/Senior Medical and Health Officers to follow postgraduate course abroad in the field of Obstetrics/Gynaecology.
- (c) My Ministry is presently negotiating with *l'Université de Bordeaux*, France, for the training of Medical and Health Officers/Senior Medical and Health Officers in the field of Obstetrics and Gynaecology.
- (d) In order to encourage Specialists/Senior Specialists to serve on a tour of service in Rodrigues for a period of six months or more, a circular letter has been issued by my Ministry on 18 December 2014, informing them that a monthly Special Medical Service Allowance will be paid to them in line with the recommendation of the PRB. Unfortunately, no positive response has been received so far.

In the event that we do not get a Gynaecologist posted to Rodrigues, I will in consultation with the Chief Commissioner of Rodrigues, seek the assistance of India and other friendly countries for the recruitment of Gynaecologists.

Madam Speaker: Yes, hon. Leopold!

Mr Leopold: Thank you, Madam Speaker. I would like to ask the hon. Minister of Health and Quality of Life how many gynaecologists will be posted in Rodrigues after recruitment?

Mr Gayan: Well, as many as are required. But, as I said, there is a shortage of gynaecologists right now and, unfortunately, despite the recommendation of the PRB to the effect that the gynaecologists would have to serve six months in Rodrigues, they have not done so and we have had to resort to a one-month tour of service just to meet the demands of Rodrigues. But I hope that we will be able to solve the problem shortly.

Mr Baloomoody: The hon. Minister has mentioned specialists and doctors. Is he aware that there is no pharmacist in the hospitals in Rodrigues and the medicines are being dispensed by...

Mr Gayan: I am not sure whether there is no pharmacist, but I know that there are pharmacies. The hospitals and the health care clinics are all equipped with people dispensing medication.

Mr Jhugroo: Can the hon. Minister inform the House how many Rodriguan doctors are registered with the Medical Council and employed by the Ministry of Health and Quality of Life and whether he will consider giving the chance to these doctors to get training in different specialties and to serve in the hospitals that we have in Rodrigues?

Mr Gayan: Madam Speaker, there are already Rodriguan trained doctors serving in Rodrigues. We have had consultations with them, and we are exploring the possibilities of giving them further training to become specialists and to serve in Rodrigues.

Mr Ameer Meea: The hon. Minister has recently been to Rodrigues Island. Did he go to the hospital and did he have any photo there?

(Interruptions)

Mr Gayan: I did go to the hospital and, unfortunately, it was dark, so we could not get a photo.

(Interruptions)

Madam Speaker: Next question, hon. Osman Mahomed!

(Interruptions)

Please, refrain from making comments!

HARRIS SPORTS COMPLEX - CLOSURE

(No. B/503) Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central) asked the Minister of Youth and Sports whether, in regard to the Harris Sports Complex, in Port Louis, he will state the reasons for the abrupt closure thereof on 01 September 2015, indicating if -

- (a) prior notice was given to the users thereof;
- (b) football teams had already effected payment to use the football ground thereof for the month of September and, if so, indicate the –
 - (i) quantum paid, and
 - (ii) if the quantum has recently been increased and, if so, by how much and why
- (c) any other football ground was closed on 01 September 2015, and
- (d) there is any issue regarding the running of football grounds generally and, if so –
 - (i) give details thereof, and
 - (ii) indicate the remedial measures being envisaged.

The Minister of Arts and Culture (Mr S. Baboo): Madam Speaker, I have to inform the House that Harris Sports Complex is one among the several sports infrastructures the day-to-day management of which has been entrusted to the Mauritius Sports Council (MSC). Consequently, I am informed by the MSC that its Board had decided to close the Harris Sports Complex as from 01 September in view of the bad state of the complex.

There were goal posts broken, damaged nets, damaged fencing and untidy surroundings. With a view not to penalising users, the MSC had to expeditiously provide new goal posts, new nets and repair the fencing as well as conduct a thorough cleaning of the complex. The complex is operational as from 10 September 2015 and fees for the use of the complex for the month of September are being collected since that date.

Madam Speaker, regarding part (a) of the question, I am informed by the MSC that users were orally made aware of the impending closure of the ground when they were effecting payment for the use of the ground for the month of August 2015.

As regards parts (b) and (b) (i) of the question, no fees were collected by the MSC from football teams for the month of September prior to 10 September 2015.

Regarding part (b) (ii) of the question, I am informed that the Board of the MSC has decided to increase the hourly rate of fees payable from Rs100 to the following –

- Mondays to Saturdays before 6.00 p.m. Rs150, and after 6.00 p.m. Rs200
- whereas on Sundays before 6.00 p.m. it is Rs200 and after 6.00 p.m. it is Rs250

I am informed by the MSC that it has had to increase the rates payable as the fees collected did not even cover the overtime payable to the handy workers in the service and the maintenance costs.

I am informed by the MSC that it is already operating with an annual budget deficit of Rs6 m. in spite of the fact that the grant allocated by the Government has increased from Rs22 m. to Rs25 m. as from the financial year 2015-2016. With a view to reducing the budget deficit and taking into consideration that the rates last revised in 2012 the board of the MSC decided to increase the rates payable. It is worth pointing out that all National Sports Federations and educational institutions are provided with the facilities available at the Sports Infrastructures free of charge.

Madam Speaker, as regards part (c) of the question, I am further informed by the MSC that the Mini-Soccer grounds at the Military Road in Port Louis and that of Champ de Mars were also closed as from 01 September 2015 to enable appropriate maintenance and repair works to be effected. They are also operational as from 10 September 2015.

Regarding part (d) of the question, I have to inform the House that it is the policy of the Ministry of Youth and Sports to entrust the day-to-day management and maintenance of football training grounds to Local Authorities with a view to making an effective use of the grounds for promoting mass participation. The different Local Authorities have already been requested to take over the day-to-day management of training football grounds. In some cases, Local Authorities have already responded favourably to the request. For example, the Municipal Council of Port Louis has already agreed to take over the day-to-day management and maintenance of the three Mini Soccer grounds situated in Port Louis as from 01 October 2015. I will also circulate a copy of the letter dated 04 September 2015 received from the Municipal City Council of Port Louis.

Mr Mahomed: Well, thank you. In his reply, the Acting Minister has mentioned the MSC and the Municipal Council of Port Louis. But, as a matter of fact, the Harris Sports Complex is now being managed by the NDU, strangely enough, and there is a formal letter from the NDU, under the signature of the hon. Mrs Jadoo-Jaunbocus, convening meeting about 36 teams of Ward 4 in Port Louis to discuss the way forward. Now, the people have responded...

Madam Speaker: You should ask a question, you are not allowed to make a statement...

Mr Mahomed: I am going to come to my question soon. The people have responded and they have sent a copy to the Rt. hon. Prime Minister, copy to the Leader of the Opposition, and I quote from the letter...

Madam Speaker: Hon. Mahomed, you are making a statement, you can come with this at adjournment time.

Mr Mahomed: I am going to table it.

Madam Speaker: Ok, please sit down. You are allowed supplementary questions, but you are not allowed to make a statement. If you have got information, please come at Adjournment time and make your statement, but right now, you ask your question to the hon. Minister.

Mr Mahomed: Is the hon. Minister aware that the Harris Sports Complex is being used to favour certain specific teams in the letter that has been forwarded to him as well?

Mr Baboo: Well, sorry. I am not aware of this and I don't have this information.

Mr Jhugroo: Can I ask the hon. Ag. Minister...

(Interruptions)

Madam Speaker: I have given the floor to hon. Jhugroo. I'll give you the floor afterwards.

Mr Jhugroo: Can the hon. Minister inform the House on what basis were football teams allowed to play football in year 2013 and 2014 and what criteria was used?

Mr Baboo: Sorry, I don't have the information as well hon. Jhugroo. I need notice.

Mr Mahomed: Madam Speaker ...

(Interruptions)

Madam Speaker: Hon. Mrs Jadoo-Jaunbocus! Please, don't make provocation! Please!

Mr Mahomed: I am tabling the letter. At a time when people are getting into drugs in the region of Port Louis and elsewhere...

(Interruptions)

Madam Speaker: Hon. Jhugroo!

Mr Mahomed: Is it a good decision to double and perhaps on certain days more than doubling the fees that they have to pay to have access to football grounds?

Mr Baboo: Madam Speaker, I would request the hon. Member to address this question to the substantive Minister.

Mr Jhugroo: Are you are aware, hon. Minister...

Madam Speaker: Hon. Jhugroo, please address the Chair!

Mr Jhugroo: Madam Speaker, is the Acting Minister aware that the football teams of the region who were very close to the former PPS, Mr A. H., were being privileged to use the football ground, without paying any cent, by the Monitoring Committee there?

Mr Baboo: I am not aware, but I am not surprised too!

(Interruptions)

Madam Speaker: The Table has been advised that PQ No. B/508 has been withdrawn.

SC & HSC 2014 - EXAMINATION RESULTS

(No. B/504) Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central) asked the Minister of Education and Human Resources, Tertiary Education and Scientific Research whether, in regard to the examination results of the Cambridge School Certificate and of the Higher School Certificate of the November 2014 series, she will, for the benefit of the House, obtain from the Mauritius Examinations Syndicate, information as to the number thereof considered as pending, indicating the –

- (a) reasons therefor, and
- (b) timeframe set for the finalisation thereof.

Mrs Dookun-Luchoomun: Madam Speaker, I am advised by the MES that, as at now, there is no pending case of results with regard to the Cambridge School Certificate and the Higher School Certificate examinations of November 2014.

However, I am informed that, in February 2015, when results were proclaimed, a number of cases of malpractices were reported by the Cambridge International Examination. Upon the issue of certificate, on 13 May 2015, the results in some subjects for six candidates were still pending at the level of CIE.

I am advised that the six candidates referred above had appealed to CIE for release of their results. This is known as Stage 1 Appeal. According to the MES, these appeals were considered by the Cambridge Malpractice Committee and the latter had, however, upheld the decision to retain the results in certain subjects for the six candidates.

I am further informed that none of the candidates pursued with a second stage appeal, that is, the second stage appeal is when the candidates are requested to supply further new evidence in support of their appeal. The CIE maintained its decision not to issue any award in the subjects concerned.

The final results for the above six candidates were issued to them on 11 June 2015.

Madam Speaker: Time is over!

MOTION

SUSPENSION OF S.O. 10 (2)

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

The Deputy Prime Minister rose and seconded.

Question put and agreed to.

STATEMENTS BY MINISTERS

UTILITY REGULATORY ACT - OPERATIONAL

The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo): Thank you for giving me time, and I shall be very brief. I have remarked that when I intervened at the Second Reading of the Mauritius Renewable Energy Agency Bill, I committed an unfortunate error when I said that the Utility Regulatory Bill had not yet been proclaimed. In fact, I intended to say that the Utility Regulatory Act was not yet

operational. I am very sorry for this lapsus. I intend to formally correct it when I make my summing up.

Thank you.

(4.31 p.m.)

POVERTY & SOCIAL EXCLUSION - MARSHALL PLAN

The Minister of Social Integration and Economic Empowerment (Mr P. Roopun): Madam Speaker, I wish to inform the House that, as announced in its Programme 2015-2019, Government is going ahead with the elaboration of a Marshall Plan to combat poverty and social exclusion.

In this context, Government has enlisted the expertise of the United Nations Development Programme (UNDP), which has already recruited a local consultant who is currently engaged in the preparatory works.

A team of foreign experts of the UNDP is scheduled to be in Mauritius from 21 September to 02 October 2015. It shall, *inter alia*, conduct an analysis of the current situation, investigate the causes of poverty and have consultations with all interested parties before making its recommendations.

Stakeholders from the public and private sectors, NGOs and civil society have been invited to submit their proposals and views in writing to the Marshall Plan Unit of my Ministry by 16 October 2015 and I expect them to participate actively in this important national exercise.

Furthermore, those wishing to have working sessions with the team have until 25 September to submit their areas of interest.

The draft Marshall Plan is expected to be submitted to Government by the end of this year.

Thank you.

PERSONAL EXPLANATION

(4.32 p.m.)

PQ NO. B/393 - OFFENSIVE WORDS - WITHDRAWAL

Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac): Madam Speaker, with your permission, I wish to make a personal explanation. At the sitting of Tuesday, 01 September 2015, during Question Time, while putting a supplementary question to my PQ No. B/393 addressed to the hon. Vice-Prime Minister, Minister of Energy and Public Utilities, I stated the following in the heat of the moment, and I quote -

“I am very sorry, the hon. Vice-Prime Minister is inducing the House in error.”

I understand that the above words are considered to be offensive. I can assure you, Madam Speaker, that I had no intention whatsoever to utter anything that might be considered derogatory to the House or offensive to the hon. Vice-Prime Minister. Therefore, I wish to withdraw these words.

Thank you, Madam Speaker.

PUBLIC BILLS

First Reading

On motion made and seconded, the Public Holidays (Amendment) Bill (No. XIV of 2015) was read the first time.

Madam Speaker: Hon. Members, I think it is time to break for tea.

At 4.34 p.m. the sitting was suspended.

On resuming at 5.14 p.m. with Madam Speaker in the Chair.

Second Reading

THE MAURITIUS RENEWABLE ENERGY AGENCY BILL

(No. XI of 2015)

Order read for resuming adjourned debate on the Second Reading of the Mauritius Renewable Energy Agency Bill (No. XI of 2015).

Question again proposed.

Madam Speaker: Hon. Leader of the Opposition!

(5.14 p.m.)

The Leader of the Opposition (Mr P. Bérenger): Madam Speaker, let me say straightaway that, of course, on the Opposition side here, we are all for renewable energy and, therefore, all for setting up an agency to promote renewable energy. But, *une mise en*

garde, a correct reading of the recent World Bank Report does describe a situation of emergency in Mauritius and, therefore, a word of warning that our pursuit of renewable energy, which I repeat we are totally in favour, should not distract us from *la priorité du moment* and should not lead us to dream at what can be achieved in the few years ahead in terms of renewable energy.

We are all for it, but the situation of emergency described by the World Bank imposes upon us the responsibility for facing the challenges between now and 2017 and from 1980. We should not be distracted from *la priorité du moment* which is facing that emergency situation. Of course, Madam Speaker, it is not my intention today to deal with that situation. We will have some other time the occasion to discuss the World Bank Report and the supply and demand for electricity situation we find ourselves in. Therefore, I will not. It would be out of order today; the debate is today renewable energy. I will stick to renewable energy, and I will come back on the World Bank Report and the emergency situation that I referred to very soon on another occasion.

Nevertheless, at the end of my intervention, I shall mention liquefied natural gas and the emergency purchase of two gas turbines because it is a linked, and I will explain why renewable energy and that are linked. But, as I said, for today, I will leave aside the World Bank Report and the emergency situation that it describes.

Therefore, renewable energy for which we are all for, Madam Speaker, *nous sommes restés sur notre faim* with the speech from the hon. Minister concerned. We were entitled to expect to be provided with the figures and *previsions*, where we are today, what we mean to achieve in terms of renewable energy. Of course, when we are talking about renewable energy, we are not talking about base load energy, that is, the bottom line, the base load engines that provide for the basic base load. We know that renewable energy, until now at least, is intermittent and very expensive, but especially intermittent is the key quality, if I can call it that. Therefore, I expected the hon. Minister to tell us: this is where we are, this is where we mean to go; what are *les prévisions*, what are the expectations, what do we expect to achieve in terms of renewable energy use and production, Madam Speaker.

For the time being, we have only Saraco being fed into the national grid, and I am given to understand that it is very intermittent indeed, that it is supplying the National Grid for a few hours with renewable energy, which is expensive, from the figures that I have been

provided with. The price paid for electricity provided by Saraco is double; exactly double the average for the whole of Mauritius, CEB and IPPs, all taken together.

In fact, we all know that the cost of renewable energy is very expensive. We have to move ahead, we are all for moving ahead, but we must keep in mind that, in Mauritius, as in other countries, but especially small island economies, it is not a question of having sufficient electricity base load and otherwise, but the price also that we pay for the electricity. If we are going to get the economy going again, it is a vital aspect to face the price at which we will be supplying electricity to the producers and the exporters.

I said that I am sorry that we don't have projections; we don't have facts and figures. Probably, the hon. Vice-Prime Minister can come, when summing up, but it would have been better at opening up. But, nevertheless, the hon. Vice-Prime Minister told us that there has been a recent call for interest and he gave two figures. Some days back, on 01 September, in his statement here, he said that –

“Offers by small operators have come forward to provide for 1200 MW.”

We are talking about renewable energy. Therefore, he said –

“Hundreds of proposals have come to provide 1200 MW”

which is a lot, *sous-entendant que* this can be done. Not saying it straightaway, but *sous-entendant*, and what makes me say ‘*sous-entendant*’ *et* ‘*surintendant*’ *aussi* is that more recently, when he spoke on the Second Reading of the Bill, it was no longer 1,200 MW of offers, but 1,500 MW. Now, it is 1,800 MW and when we see later on what the grid can take, we are dreaming. We are dreaming! So, I would like clarification on that; not just how many offers, but what is our target. And when we get to the grid, the grid to a large extent will dictate what we can take in, what we can deal with.

I would like to quote here - since we are provided with figures like that, 1,500 MW and now 1,800 MW of offers of renewable energy - from ‘The Economist’ of 01 August 2015, if I may, Madam Speaker –

“Expanding China’s electricity grid has lagged far behind the construction of wind farms. Huge arrays were built only to have to wait for ages to be plugged in to the grid. Even once they were connected, much electricity leaked out of transmission lines. And the grid proved unable to cope with surges in electricity whenever the wind blew.”

So, obviously, there are lessons to be learnt, not just from China, but Germany also and many other places. As far as renewable energy is concerned, the key issue will be: what can our grid take, apart from the price, which I mentioned earlier on, and the fact that we are dealing in intermittent and base load or semi-base load energy, Madam Speaker? So, when we get to the grid, the hon. Vice-Prime Minister gave us information about a study financed by UNDP and the World Bank, received in October 2014, which came to a certain number of conclusions and recommendations -

- (i) the existing grid can accommodate up to 70 MW - It is already a lot;
- (ii) further grid is recommended to the existing Central Electricity Board power plants to enhance the integration up to 110 MW, and then,
- (iii) finally, the use of large battery storage - I would like an estimate of when that will be ready - to increase the penetration up to 150MW.

So, even with large battery storage, which is easier said than done commercially and technically these days, we go *difficilement* up to 150 MW. This is again where I would wish the hon. Vice-Prime Minister to enlighten us. Are we talking about that kind of figure and, of course, what measures and at what cost CEB can upgrade its grid to absorb that limited amount of renewable energy, Madam Speaker, and, of course, no cost, as I said earlier on?

So, *nous avons été laissés sur notre faim* when the hon. Vice-Prime Minister made his opening remarks. We are entitled, we attach even more importance than the hon. Vice-Prime Minister, himself, on renewable energy, and it is not a new discovery. But we need to be provided with targets, estimates, facts and figures before we move forward, Madam Speaker.

Having said that, *je mets entre parenthèse*, as I said, the World Bank report and the emergency situation which they described. But one of the recommendations *m'interpelle*. They recommend - otherwise we will be in big trouble, so they say as from 2018 - the purchase now of two gas turbines that will use not kerosene, as our existing very expensive gas turbines are, but light diesel oil.

En passant, I note that, on 02 April, the hon. Vice-Prime Minister acknowledged, and I quote him when he spoke on the Budget and he said –

“There is no doubt that by 2018, we will need additional capacity. Experts tell me it is 100 MW; I don't have any reason to doubt them.”

And, in terms of tendering for producing in the country concerned, exporting, installing, commissioning and so on, 2018 is tomorrow. Therefore, we agree that there is a turning

point in 2018, and the hon. Vice-Prime Minister agreed that it is 100MW that we will need as from 2018.

Now, my point is: if the World Bank has come - and I would like to know from Government what is the reaction - to recommend that immediately we tender for and we order two gas turbines, why are we where we are? Because we have lost time! When I say 'we', I am talking of the country. We have lost years. For, I don't know, how many years, here, in this House, I had been pleading. I had said: "Look, CT Power is out". But we don't stay in a vacuum. CT Power is out; we must come out with an open international tender, any technology state-of-the-art. I have said that I don't know how many times over the few years. I said: "let's call an international tender for offers for 50/100MW, any state-of-the-art technology, including coal, coal-bagasse, heavy oil like diesel oil, Liquefied Natural Gas (LNG). We should have called a few years back and, including CT Power, it would have been open to CT Power to compete fairly. If today we are stuck with the recommendation, that we buy two light diesel oil gas turbines it's because I have not been listened to, the previous Government and now. We are eight months later, we have not followed the advice that I have been giving for years.

Of course, this proposal of two gas turbines to be operated with light diesel would also have come amongst, and we would have had time. Now, the World Bank is telling us there is no longer time, we must buy these two gas turbines urgently, otherwise we would be in very, very serious trouble in 2018. Why is this directly linked to renewable energy, Madam Speaker? There is a direct link between these two gas turbines to be purchased urgently, LNG (Liquefied Natural Gas) and the combined cycle system being proposed. There is a direct link between these three. Once we get going, we cannot stop. There are vital questions to be asked.

First of all, LNG! Can we do it with a small market? The problem with Liquefied Natural Gas, I am sure we all know, is the installation that has to be set up to get that gas which is gas, then liquid, then gas, then liquid. It costs a fortune. Now, can we afford? Can Mauritius, with the small market that we have, afford? I will come in a few minutes how we have put *la charrue avant les boeufs*. So, we are advised to buy urgently two gas turbines to be operated, at first, with light diesel oil; then, we will move to LNG (Liquefied Natural Gas) and then we will move to the combined gas turbine cycle in three different stages, but the link is there from one stage to the other.

What I find extraordinary! And I expect the Vice-Prime Minister to tell us: is there any indication of what the price of the electricity we will produce with light diesel oil will cost Mauritius? We might come to the conclusion that we cannot for 10 years, 25 years, 50 years have spent the kind of money we need to bring in Liquefied Natural Gas. Then, we would be stuck with these two gas turbines for years to produce with light diesel oil.

As far as I read in the World Bank Report also, they recommend that, but there is no indication of what it will cost. We know that the gas turbines using kerosene produce at Rs39, but, of course, gas turbines with kerosene are supposed to be there only for emergency. I have tried to talk to experts and so on, we need to be told what price we will be paying if we go for these gas turbines – and apparently, we have no longer a choice – using light diesel oil. The average cost is Rs3, roughly Rs3.30 - if I recall from memory - and gas turbines using kerosene is Rs39. What will it be? Anything between that, Rs12, Rs15, I do not know, but, before we rush in, we have to be sure, Madam Speaker.

What I find extraordinary is that we are stuck. We are told: “Buy these 2 gas turbines urgently, now”, otherwise we will be in big trouble as from 2018. Yet, we - the CEB, the country - are for two feasibility studies now. Again, for years I had been telling the previous Government, we have had a pre-feasibility study on what it will cost to have LNG import plan. Replying to a PNQ, the hon. Minister said it would cost 20 billion – *20 milliards*. When I went to the pre-feasibility study, my reading of it and expert advice, which I collected, say 16 billion, which is still a lot of money. At one point here, in the course of debate, the hon. Minister said 2-3 billion. I do not know what he meant, but we need to know, roughly. That is putting *la charrue avant les boeufs complètement*. Now we are going for two feasibility studies: one to see whether we can afford to set up a Liquefied Natural Gas, now a feasibility. You get my point, Madam Speaker! We are going for two gas turbines that are going to use light diesel oil and that are meant to move on to Liquefied Natural Gas. It is now that we are going to carry out a feasibility study to see whether we can afford - during the next 5 years, 25 years, 50 years - such an installation which will cost anything between Rs10 billion to Rs25 billion. Not only that, two feasibility studies! One to find out whether we can afford this importation of LNG, and the second, now the CEB has commissioned a second feasibility study to see whether the combined cycle gas method can be used in Mauritius. So, this is the immensity of the trouble that we have landed ourselves. So, when I say ourselves again, I say as a country, where the World Bank is telling us: “Buy two gas turbines using light diesel immediately”. It is now that we are starting feasibility studies on whether LNG import is

feasible and it is now that the CEB again is carrying out the feasibility study, whether we can go ahead with this combined system. This is *mettre la charrue, mettre whatever, loin, loin devant les bœufs* and it is very, very serious. Where does this whole idea of two gas turbines, LNG impact directly on renewable energy? This is what we are discussing. Yet, in the Bill, there is not a word about bagasse.

Today, we proudly say, “Mauritius already produces 20% of its energy renewable.” Yes! I do not know - apart from him and the Prime Minister, maybe hon. Rajesh Bhagwan - how many of us will remember the fight we had to get bagasse used in Mauritius. It was not that easy. It was a very tough fight to use bagasse, a key renewable energy. Now, if we go ahead with Liquefied Natural Gas, what will happen to production of electricity with bagasse? I repeat, today, we proudly say: “20% of our energy is produced from renewable sources”, and we mean bagasse, the rest is peanuts. Wind, solar, even Saraco, all this together, up to now, is negligible, as the World Bank itself says.

What happens if we rush forward, we move forward and we kill electricity production through bagasse? Already I am sure Government is aware. *Ne comptez pas sur l'industrie sucrière pour investir des milliards* in better boilers or efficient boilers and so on. Forget about it! Because now, on the horizon, what we see is Liquefied Natural Gas.

So, forget about big investments to produce more energy from the same amount of bagasse or a little more use of bagasse because there is not much left! If we are not careful at the time when we are voting an agency to promote renewable energy, we are going to lose production of electrical energy, through bagasse, with the impact that this would have, not just on the big bosses, no, on the planters, on the employees of the sugar industry and on the country in general.

So, we are at a dramatic turning point and we have a choice to make. It is dramatic! And we are not ready to make that choice because, as I said, we are supposed to make a choice when two feasibility studies are going to be produced. I would like everybody to realise the kind of problem the country is in and is going to be in for a number of years, Madam Speaker.

So, are we today condemned to move ahead now with these two gas turbines or do we have a last chance of having an international tender, as I said in the past, for 50 MW or 100 MW which, on both sides we agree, is required as from 2018? Do we have that last chance? I must say that, going back to speeches from the hon. Vice-Prime Minister, I found out two

things. First, at one point, he was asked by me, indeed - can I quote a Private Notice Question of 03 March 2015 where I asked the question –

“I don’t want to rush a decision, but does that mean that when the time comes for an international and local tender for 50 or 100 MW additional base load energy, that a pure state-of-the-art so-called technology (...)”

Because everything is state-of-the-art these days!

“(...) a full coal plant will be excluded in the tender?”

And the reply of the hon. Vice-Prime Minister was very guarded. He said –

“This is my thinking actually to exclude this coal plant (...)”

I don’t know if he had in mind CT Power or a coal plant generally. He said –

“This is my thinking actually to exclude this coal plant, even in the present state-of-the-art technology, unless it becomes inevitable for Mauritius to need to have access to coal for its power generation.”

We all agree that coal is dirty. We know the pressure being put by the European Union and others against new coal plants. But little Mauritius does not have a choice like other countries with natural gas and huge markets of big population. I am not saying that we must go for coal, I am saying what the hon. Minister himself said: that, for the time being, he is not thinking of coal unless it becomes inevitable. Where the hon. Vice-Prime Minister became *plus royaliste que le roi* is on 02 April. On 02 April, the hon. Vice-Prime Minister came with that statement, and this is his speech on the Budget where he says –

“What is our policy, now? Let us try and see what is the policy at the Ministry! CT Power has traumatised public opinion. Public opinion is that coal is a nasty, dirty thing which is going to invade our house, but that was a consequence of the issue in CT Power. Because CT Power could not convince anyone of their financial standing or of their source of funds or who they were and what they were, they became branched on that debate, issues relating to the environment.”

The hon. Vice-Prime Minister says the following. I hope he reacts to that, it is from the mouth of the hon. Vice-Prime Minister on 02 April and I quote –

“Today, coal can be zero CO₂ emission. This is what people tell me (...)”

I think that is going a bit too far! Coal is coal! We have state-of-the-art technologies, we can - if little Mauritius decides that we have to go for a coal plant, we will explain. But, to come and say that coal has been found or developed, that is, completed CO₂ neutral, I don't have the same information. Again, I make it clear I am not saying that we must go for coal. I am saying that this idea of rushing forward with these two gas turbines *va nous amarrer les mains pour longtemps* and can lead us in big trouble! If, finally, we see that we have no choice unless real blackout, real disaster as from 2018, then we will have to go for these two gas turbines. But, I believe, Madam Speaker, - and it is important for renewable energy also - that we still have time to call for offers. We still have time, if we don't waste time again. And we must be careful with those who are experts at using the Courts or the Independent Review Panel and so on to lose or play for time. I think we should have a final go, asking for offers, 50 MW, 100 MW, come forward with any of the technologies mentioned, then Government urgently, with the CEB, will have to decide, Madam Speaker. I make myself clear, I am not saying that we must go for coal, I am saying that we are in a very tight situation and that if we go for these two gas turbines now, as advised by the World Bank, we are putting our finger, our whole hand and probably our arm, our shoulder, *dans un engrenage*.

Therefore, I appeal to Government, at a time when we are all for renewable energy, for setting up an agency to promote, to develop renewable energy. We must be very careful that we don't put our finger in *un engrenage* that leads us to the abandonment of bagasse in the years ahead for production of energy, and which leads us to utilisation of light diesel oil if the feasibility study says for 25 or 50 years Mauritius cannot set up a multi-billion system to import liquefied natural gas.

I will end with a few words on the Bill itself. The hon. Vice-Prime Minister will allow me to say that. I must say I am not impressed by the drafting of the Bill at all! When we look at the objects, it is an awful mess!

“To promote the adoption and use of renewable energy (...)”

Fair enough! But I mentioned bagasse. We must be very careful about what we do and what the impact will be on the use of bagasse in the years ahead. But, to advise on possible uses of liquid natural gas, this can't be the job of an agency that is being set up - rightly so - to promote renewable energy! It can't be that agency that would advise on the possible uses of liquid natural gas! This I don't buy at all!

The CEB is there, the Ministry is there, everybody who wants to help, the World Bank, the European Union, *La Caisse Centrale de France* and so on. But it is certainly not an agency set up to promote the adoption and use of renewable energy that should be advising on the possible uses of liquid natural gas. As I said also, increase the share of renewable energy in the national energy mix. Again, my note of warning is that if we are not careful, if we go ahead full steam with liquefied natural gas, we might, in fact, decrease the share massively of renewable energy in our energy mix. There is something which the hon. Minister said - I don't know what he means, Madam Speaker, but in his Second Reading speech he said that - "it would be stupid to create an agency for the use of ..." - I don't know who can appraise that issue. You need an agency to promote renewable energy because it must be ongoing; it is an activity to promote renewable energy, whereas the decision to use liquefied natural gas or not doesn't need an agency, it needs a decision.

The CEB, Government, World Bank, France and so on can advise, but I don't think anybody serious could have proposed that there must be another agency for the promotion of liquefied natural gas and that the hon. Minister includes liquefied natural gas, which is a fossil source of fuel, of course; it is not renewable. But the Minister said we've included it there because the idea of having an agency for the promotion of liquefied natural gas is not good. It is not inside of this world, but it is not a reason to mix issues like that. So, I am not impressed by the objects of the agency, not at all, and I don't understand why certain bad habits that have been with us for years are being perpetuated. The Minister tells us that he will be circulating amendments to the Board composition. But why? It is a simple question. Why wait for Committee Stage to circulate amendments? Provide us with the amendments; we have time. These amendments should have been in the Bill. Now, amendments are announced to correct certain aspects. Fair enough! But why wait for Committee Stage? Circulate the amendments; we will have time to examine them and to take a stand. We are not against like, for example, including two members of the Board from Rodrigues. But we would like to know what other amendments, if the Board will not become a huge thing that is no longer functional. I must say - I hope I am wrong, but I don't think I'm wrong - I can't agree. I am not madly in love with the CEB! Everybody knows that, but at the same time, we can't have an agency for the promotion of renewable energy. I don't know with how many members we will end up - 25! Maybe more, depending on the amendments, and the CEB is not on the Board! It can't be correct. There will be in a small minority, but the CEB must be represented on that Board of all bodies, not in a commanding position, but it should have a

representative with even a watching brief they can report back to their organisations. I would suggest that there should be room for a representative of the CEB on that Board.

Thank you, Madam Speaker.

(5.55 p.m.)

Mr S. Fowdar (Third Member for Grand’Baie & Poudre d’Or): Madam Speaker, I would like, first of all, to congratulate the hon. Vice-Prime Minister for bringing this very innovative Mauritius Renewable Energy Agency Bill. I am happy also that this Bill is conciliating the Opposition today, they have been really energetic this morning, and this Bill is putting all of us together to agree on an issue of national interest, which is very important, as the hon. Leader of the Opposition has said - it is really important for the development of the country.

Madam Speaker, I am not an engineer. I have gone through a lot of reading before coming to the House this afternoon, to be able to speak on the Bill and I have learnt a lot of things. The hon. Leader of the Opposition has raised a lot of issues regarding other sources of energy, which I am not going to do, like turbine and the other things, but I am going to stick on to renewable energy only.

Madam Speaker, this is an extremely important Bill. I have gone through my reading and this is an issue which is of interest worldwide for many reasons. The cost of energy, the supply of energy and climate change are all very important for all of us. Many countries have already been ahead on this issue, they have already tackled the issue and they are producing a mix of supply of energy from different sources, from coal, but mainly now they are going to be supplying energy through renewable energy. This is the time now, and I congratulate the hon. Vice-Prime Minister for bringing this Bill so early although the hon. Leader of the Opposition is thinking we are late. But, Madam Speaker, we have been in power since eight months and such an important issue was not tackled by the previous Government although they have already implemented renewable energy through Saraco and there has been no regulatory body at the time. So, it’s time now, and I am happy that the hon. Vice-Prime Minister is bringing a regulatory body to look after renewable energy. I have listened to him carefully last time and he said that there was a conflict between CEB and the suppliers of renewable energy. CEB could not act as regulator and, at the same time, as supplier of energy, and it is good now that we’ve got a separate regulatory body to look after renewable energy.

Madam Speaker, access to electricity and power is a prerequisite for economic development. Energy availability and accessibility to sufficient amount would not only accelerate an individual's development, but also a nation's development. In fact, I have gone through my reading and there is a direct link between energy consumption and economic development of a country. During the last decade, Mauritius has witnessed an increase in the total demand for energy by some 4.7%, whereas it has also witnessed an increase in the unit price by 9%. According to reports - I agree with the Leader of the Opposition - we may possibly face an energy deficit in the near future and this is why this Bill is in the House today. I am sure that the Minister is looking at all possibilities to avoid blackouts and to avoid a slowdown of economic activities.

Madam Speaker, the effect of climate change is warranting a substantial reduction in carbon emission. Recently, at the summit held in Paris, it was decided that the global warming should be kept to less than 2% and, of course, Mauritius will have to contribute although we are not a high producer of carbon and this coincides with promotion of renewable energy. Renewable energy does not produce carbon and it conquers with our idea of promoting renewable energy in Mauritius. We know that we are bound to keep a clean environment for the next generation.

Madam Speaker, I have gone through the Bill and I am sure that the Mauritius Renewable Energy Agency will create better understanding by providing guidance and support to the nation. I have gone through the Bill, I am sure, Madam Speaker, that the Renewable Energy Agency will create better understanding by providing guidance and support to the nation. We are happy, Madam Speaker, that the geographical location of Mauritius is a gift to us to make this project successful. Unlike many other countries, we are lucky to have abundance of sun, wind, and the ocean that can be used to make renewable energy.

(Interruptions)

And the sun is in power today! But, for all this to happen, Madam Speaker, we need clear guidelines; support and incentives must be provided by the Government through this renewable agency.

The agency must intensively, Madam Speaker, promote the use of renewable energy. And why not make it compulsory? Now, I have read that some authors in India are proposing to the Government in India to force people to use renewable energy. And how? They are

asking for all Government buildings to be equipped with rooftop panels, all industrial buildings to be equipped with rooftop panels and also new houses - domestic purposes - to be equipped with rooftop panels. But, here, we know that, for the domestic rooftop panels, we will need subsidy, grant on behalf of the Government to make it happen. Therefore, the agency must take bold and courageous measures to promote renewable energy.

In addition, Madam Speaker, the energy efficiency measures must be devised and made compulsory, and there must be some sort of working arrangement between the renewable agency and energy efficiency office.

Madam Speaker, I have not been able to get the figures for 2014, but for 2013, the local energy requirements were mainly met by coal, 30%, petroleum products, 55%, and local renewables by 15%. In fact, the share of local renewables decreased from 22% to 15% while on the global basis it was 19% and continued to grow strongly. The challenge of meeting energy requirement and producing clean energy can only be achieved through an intelligent choice and integration of renewable technologies. In fact, the selection of a renewable energy technology requires a good balance of resource, maturity of technology, grid readiness and policy framework. Renewables have been aided by continued advances in technology, fall in prices and innovation in financing and they were all largely driven by policy support. These developments are making renewables more economical than the new fossil and even nuclear installation, and it is making it more affordable for a broader range of consumers in developed and developing countries.

Madam Speaker, in addition, there is an increasing awareness of renewable energy technologies and resources, and their potential to help rapidly growing energy demand while this is going to create jobs will accelerate economic development, will reduce carbon emission and will improve public health. There are mainly four types of renewable energy technologies that can be exploited: biomass, hydropower, solar energy and wind power.

Madam Speaker, biomass consumption continues to increase worldwide and it is mainly for the provision of heat and electricity. Locally, as stated by the hon. Leader of the Opposition, bagasse is of importance but we have bagasse, elephant grass, fuel wood, crop residues, and animal dungs are examples. Several questions are raised with regard to the use of biomass, such as the effects of deforestation and the uncertainty of its being carbon neutral. Now, locally, the disinterest in the sugar sector makes biomass a lesser important source of renewable energy being given the lower share of bagasse for energy production.

Madam Speaker, hydropower; the unavailability of water at higher altitudes and the topography of Mauritius makes the island very limited in terms of inland water resources for energy consumption. Madam Speaker, ocean energy refers to energy harnessed from the ocean, including those obtainable by means of ocean waves, tidal range and tidal currents.

At the end of 2013, the global ocean capacity was 530 MW, most coming from tidal power. However, ocean energy is yet to mature and will require around 10 years to 15 years to compete in the market.

Wind power is another source of energy which Mauritius has not tapped up to now. Mauritius has not witnessed much increase in wind power plants as compared to solar energy. This is mainly due to the adverse effects of cyclonic conditions. The cost of wind power has decreased over the years, but wind power has raised the concerns about negative environmental and social impact.

Madam Speaker, I will come to solar energy which is the main source of renewable energy in Mauritius to come. The global solar energy had a record year. The total capacity has reached to approximately 139 GW and about half of its capacity was added to it during the last two years, which means there has been a rapid growth during the past two years. The cost of solar panels and installation has continued to fall. Mauritius has witnessed the same upward trend in PV, photovoltaic installations. The technology is mature, the resources have been unveiled and the grid is ready and the policy framework also is already in place. So, all these make photovoltaic the best candidate for clean energy. But the only hiccup is about energy storage which is getting very expensive to acquire, but other forms of energy storage are being invented and exploited such as hydrogen.

At the end, Madam Speaker, we need a good balance of four components: resource, maturity of technologies, grid readiness and policy framework to make this venture a success. I am happy that the Opposition is agreeable to the Bill although there could be some quarrel with the drafting of the Bill, which I don't think is a major issue, but the main spirit of the Bill is agreeable to all of us.

Madam Speaker, I have an issue to raise which has got nothing to do with the Bill, but the practice, here, in Mauritius, with regard to parastatal bodies. It is a practice in all our parastatal bodies to involve the Board in the administrative duties of the body. I mean, the Chairman of the board also signs on cheques together with the Chief Executive Officer, which is against the practice of good governance. Paragraph 13, Section 2 of the Bill provides

that the Chairperson and the CEO would be signing on cheques. I know this is a practice in place since colonial time, but I can request the Government to look into that so that we can have a good demarcation between the Board and the administration and the Executive.

I thank you, Madam Speaker.

Madam Speaker: Hon. Ganoo!

(6.10 p.m.)

Mr A. Ganoo (First Member for Savanne & Black River): Madam Speaker, we support the present Bill although we have certain queries on certain issues to the hon. Minister. But we agree to the adoption of this Bill by the House, because we think, like everybody in this House, I am sure, that the creation of such an agency is long overdue and, unfortunately, in the course of the past years, there have been no precise direction with regard to the course our country should have been steering for a smoother ride in the field of renewable energy.

Madam Speaker, I will just, very briefly, say a few words on what is the situation in the world as regards renewable energy - very briefly - and then come to the situation in our country. In terms of world outlook, Madam Speaker, we all know, firstly, I must say that, I think there must be the political will to promote renewable energy. It is, of course, a tall order, a difficult and tedious process, as we know, with a lot of implications. But today, when we look at what is happening in the world, we see that renewable energy, in fact, presents major economic opportunities.

Investing in renewable energy has become increasingly viable as technology advances and the costs have decreased. Interestingly, this growth is driven by non-OECD countries, especially large emerging economies, including Brazil, China and India and we see also with the increasing scale how renewable energy has been offering important employment opportunities, and it can also be a cost-effective solution to reaching the energy poor in many situations.

Greater investments in renewable energy, Madam Speaker, as well as energy efficiency are required, are urgent now because we know how fossil fuel has been instrument of climate of change and threat to our ecology and the energy sector has been directly responsible for climate change.

Furthermore, renewable energy has been a major contribution to energy security at the global, national and local level. It has been playing an important role in eliminating energy poverty. We know in the world today, Madam Speaker, 1.4 billion people are without access to electricity and 2.7 billion are still dependent on traditional biomass for cooking. This indoor air pollution is being responsible for more than 1.5 million premature deaths each year and half of these victims being children under the age of five. So, renewable energy can be, Madam Speaker, a solution to the energy poor.

Therefore, when we look at the situation, Madam Speaker, we can understand why in the world today the leaders of the world have been intensely trying to promote the development of renewable energy. Unfortunately, it is only during the past 10 years that we have witnessed a big evolution in this sector. Technology, which was at a theoretical stage in 1995, has now evolved into practical applications and this new technology has brought down price and, at the same time, has diminished considerably the carbon footprint.

Madam Speaker, but, more importantly, the technological advances which have progressed by leaps and bounds, have driven also the cost, what we call 'the levelised cost of energy'. These advances have been driving the levelised cost of energy for the renewable energy to be at par or sometimes lower than non-renewable and fossil energy. For example, the concentrated solar power has developed so much in some countries that with its ability for thermal storage up to 9 hours, it is becoming, in fact, a serious challenger to even the PV sector. There is enough development around to drive this levelised cost of energy from the current 0.16 to 0.5 per KW hour within the next decade. So much the better, Madam Speaker!

In Mauritius, our renewable energy sector has, unfortunately, stagnated perhaps due to a lack of vision, lack of leadership in that sector, lack of political will. It has been for years now that we have been pledging to shift our power generation options to renewable energy, but, in fact, we have seen little progress, Madam Speaker. And I will come to the details in a few minutes about the renewable energy landscape in our country. But suffice it to say in the world today 80% of worldwide energy is still based on fossil energy and this share, if we are not careful, if our leaders are not careful, will be rising.

In Mauritius, Madam Speaker, what is the situation today? From the statistics and from the latest figures, right now, the level with regard to our energy mix is 19.5% and this, as we have been told, is predominantly bagasse-led and according to the latest figure, out of this

19.5%, 14% represents the bagasse, the share of biomass, the share of bagasse and the breakdown would be as follows –

- bagasse -14%
- hydro – 4%
- solar and wind energy would only amount for the moment to about 1.5%

In Rodrigues, Madam Speaker, the share of renewable energy would be about 10%. Therefore, out of 19.5%, 14% of bagasse; one can say that our sector has been, in fact, Madam Speaker, going very slowly, as I said, perhaps due to a lack of vision and lack of political will or leadership in that sector.

The hon. Vice-Prime Minister said it and the previous Government also has, many times, repeated that, Madam Speaker. By 2025, we hope that the share of RE in our energy mix will be 35%. Will we be able to reach that target, Madam Speaker? This is the question. We have seen little progress in the past years.

The journey to increase the share of RE in the country is energy mix. In fact, it started in the early 2000 when the MMM/MSM Government was in power, Madam Speaker. In fact, this was the start of the journey. The landscape was quite different at that time. The renewable energy landscape was quite different in the world. The upfront costs were extremely prohibitive and technological advances have not reached their present maturity. Nevertheless, this Government started to lay the foundations for the promotion of RE, Madam Speaker. The first 3x60 KW wind farm was commissioned at Trèfles in Rodrigues in the year 2003. A Memorandum of Understanding was signed in November 2003 with the Republic of India in New Delhi between the Ministry of Non-Conventional Energy in India and our Ministry of Public Utilities in the field of non-conventional energy sources. In fact, it was hon. Minister Gayan who was then Minister of Foreign Affairs signed the MoU in New Delhi.

In fact, hon. Minister Anil Gayan, who was then Minister of Foreign Affairs, signed the MoU in New Delhi and on the premises of this MoU, Suzlon Energy Ltd., which is a reputed Indian company, expressed its interest in May 2004 to develop a wind farm at Bigara, Curepipe, in Mauritius.

Those days, Government raised the loan ceiling granted by the DBM to lower the interest rate for the purchase of solar heaters by the consumers of this country. More importantly, Madam Speaker, in 2005, the new Electricity Bill was adopted by this

Parliament and it was for the first time in the history of this country. Section 28 of this new Electricity Bill was adopted, proclaimed, but was never put into use, never became operational because we left Government a few months afterwards. This Bill made provision for the determination of the tariff. Especially it made mention that the Regulatory Authority, in determining tariff, may take into consideration renewable energy, Madam Speaker. So, it was the first time that, in our Statute Books, non-conventional energy was mentioned and the regulator was empowered, according to law, in determining tariff to take into consideration the production, the cost it took to produce renewable energy in the different cases.

In the same year, the *avant-gardiste*, if I may use this word, the Utility Regulatory Authority Act was also adopted by this very House, Madam Speaker. We all know the function of the regulator. It has an important function, but unfortunately, as the hon. Minister, in his statement, just reminded us, this law - although adopted, voted by this House and proclaimed - has never become operational so far.

Then, after 2005, came the new Government. It took some time for the new Government to come up with initiatives towards encouraging renewable energy. I remember, Madam Speaker, in May 2008, I, myself, put a Parliamentary Question to the then Minister of Public Utilities about the advisability of setting up a Renewable Energy Authority. I have the PQ with me now, Madam Speaker, but I asked the Minister whether it was not time for Government to set up - because things have evolved, we were now in 2008 - a Renewable Energy Authority. The answer was: "Government does not want to opt for an institutional solution whereby there will be a multiplicity of entities which would burden the process." Government, therefore, refused to set up the Agency and instead Government decided - this is what was offered as explanation by the then Minister, by the then Government - to amend the Energy Regulations which were made in 1990.

Madam Speaker, we, even during those days, asked the then Government to come up with a Master Plan for renewable energy. In fact, this was also, unfortunately, never done. From the information I have, the CEB, at one time, retained the services of an expert Mr Mercados who drew up a report proposing a Master Plan for renewable energy, but this Master Plan was never made public or was never circulated or was never utilised for reasons unknown to me, Madam Speaker. So, Government, therefore, decided not to come up with the Renewable Energy Authority, failed to come up with a Master Plan for energy and decided instead to amend the 1990 regulations which I will come to in a few minutes.

To come to this present Bill, Madam Speaker, I said earlier that we are in agreement with the Bill. In fact, what is Government doing today? Government is introducing a supportive policy framework to expand the case of renewable energy in the country. I have gone through the Bill. It is a standard Bill. The hon. Minister, himself, said it. In fact, more than 90 countries in the world now have set up renewable targets for renewable energy in their country. Many countries have set up a similar agency. In fact, the aim is to make of this sector a buoyant and strong sector although, as I said, the process is very tedious and very protracted, but we have to catch up with the delay, we have registered to promote this sector, Madam Speaker.

Coming to the Bill itself, the first point that I would like to make, Madam Speaker, is about the question of incentives. The hon. Minister has talked about incentives in one of the PQs in the past. This is one point which we have to keep in mind. What is the role of incentives? The increasing investment in renewable energy, in fact, requires from our Government incentives to ensure the real promotion of that sector. Government must be conscious, Madam Speaker. For investors to come and chip in funds in this sector, they will need incentives although these may be time-bound incentives like feed-in tariffs, direct or indirect subsidies, tax credit and this can make the risk revenue profile of renewable energy investment more attractive. In fact, the project financing must rely on also public finance mechanism ranging from simple grants to conditional funding structures. All these should be utilised to help the technology transfer and the skill building.

So, Madam Speaker, this is one important element and all countries, which have been successful in promoting renewable energy, have been able to do that on the basis of incentives and subsidies which Government have offered to the prospective promoters.

Therefore, Madam Speaker, development of renewable energy, particularly for electricity generation, is a matter of strategy which cannot be guided solely by economic logic and imperative. We have to make available incentives to promoters. We have to attract foreign and local promoters. The principle of a no incentive formula will constitute a major obstacle for the development of renewable energy. As I said, in all countries where renewable energy has taken up, fiscal and other types of incentives have played a dominant role.

Let us take, even in our country, the case of the success of the solar heaters. In fact, the example of the success of the solar heaters speaks for itself. The massive penetration of solar heaters in thousands of households in the country would not have been possible without

the subsidies of Government. I was looking at a Parliamentary Question which was answered by the hon. Minister and he made mention of this question of subsidies, Madam Speaker. The hon. Minister, Madam Speaker, was very clear that in the next Finance Bill there would be fiscal incentives for those household owners who would take some of their money to invest in renewable energy. We need to give them fiscal alleviations. That will be the incentive. I think it is in this way that the promotion of renewable energy can become a success.

May I also, Madam Speaker, remark that one of the largest and fastest growing consumers of energy in our country is the hotel industry. Technology today exists for producing both hot water and air conditioning from solar energy. Madam Speaker, I think the introduction of a minimum percentage of renewable energy to be generated by all the hotels coupled with fiscal incentives for investing in renewable energy technologies will trigger a massive shift towards renewable energy in the hotel sector, thus contributing significantly to develop our local renewable energy capacity. This immediate local market could have nurtured and could have developed a competitive local renewable energy industry which could benefit the domestic sector through better economies of scale, thus fiscal incentives, even limited for a time span, would have attracted FDI in the area of renewable energy. This strategy could develop into a renewable energy base and could make of Mauritius a renewable energy base for the region within a short time frame.

I also think, Madam Speaker, when I go through the Bill, that we must also promote the decentralised roofs with photovoltaic amenities. Madam Speaker, there are about 300,000 households in Mauritius. If we could have given the necessary incentives to 10% only of that amount of households, 10% of 300,000 would be 30,000. If 30,000 families could have been encouraged or could have been afforded the necessary financial incentives like interest-free loans to have solar panels on their new houses, for example, of 1.5 KW x 30,000 families, that would amount to nearly 45 MW of solar energy and this would have been an important percentage increase in our percentage of renewable energy in our energy mix.

But, furthermore, Madam Speaker, when we decentralise the rooftop with photovoltaic and we have them installed by local people, local labour force or local promoters instead of having the large MW plants set up by foreign companies and if we leave it to a pool of local expertise, we could have tapped the African solar PV market. Instead of looking for purely imported solutions, we could have used and developed our local resources to achieve higher value addition and we could have implemented more solar PV schemes towards the democratisation of renewable energy instead of limiting it to a chosen few.

Madam Speaker, these are all the opportunities that, according to me, this renewable energy authority could propose to the country. With regard to the Bill itself, I am also agreeable to the fact that I don't think the hon. Vice-Prime Minister or his advisers should have included LNG in the Bill. I think LNG is a fossil fuel, Madam Speaker. Although it can be the cleanest fossil fuel energy, it remains a fossil fuel. I have also looked at what the experts had to say about LNG, there is unanimity. According to me, I have not seen a shadow of doubt that LNG is not a fossil fuel although, of course, it has other advantages in terms of cleanliness with regard to other fossil energy. It is not a renewable source of energy. It is a fossil fuel although the hon. Vice-Prime Minister has explained and has tried to rationalise why he has included fossil fuel in the Bill which we are debating today.

The other question I would like to ask the hon. Vice-Prime Minister is the following: what will happen to the MID Fund now? Because the previous Government, Madam Speaker, although I made a few remarks about the time lost during the past 10 years, in 2008 the Finance and Audit (Maurice Ile Durable Fund) Regulations of 2008 was proclaimed under the Finance and Audit Act. This was G.N. 96 of 2008. These regulations, Madam Speaker, were promulgated *dans le sillage* of the setting up of the Maurice Ile Durable Fund. But the purpose of raising this question to the hon. Vice-Prime Minister is that this Fund was set up by law, by regulations. I am reading section 4 of the Regulations –

“The Objects of the Fund shall be –

- to finance projects to explore and harness all potential for local sources of renewable energy and to reduce dependency on imported fossil fuel;
- schemes to encourage innovation by households to produce their own energy requirements or the sale of any surplus at a premium;
- projects to encourage more efficient use of energy and to increase reliance on renewable energy.

and,

- this Fund, according to the Regulations, shall be administered and managed by a Committee which shall consist of the Permanent Secretary of the Ministry responsible for the subject of public utilities shall be the Chairperson and representatives of different Ministries, and
- the Committee shall prepare and submit to the Minister responsible for the subject of public utilities a three-year strategic plan;”

and so on and so forth.

The point I wish to make, Madam Speaker, is that we have, therefore, regulations which have been promulgated, which are still in force and which will coexist with the new law. With this Bill which will become an Act in a few hours, shall, therefore, this MID Fund be absorbed by the MARENA, the new authority? Because it would be a case of duplication, and this will apply also perhaps to the Energy Efficiency Office, Madam Speaker. These are the questions which I hope the hon. Vice-Prime Minister will reply in his summing-up.

Lastly, Madam Speaker, let me say a few words on renewable energy and agro-industry. Renewable energy can be linked efficiently in our country to agro-industry, Madam Speaker. For example, agro-energy based on biogas could be a solution for the unprofitable operations of our small cane planters. We know also, Madam Speaker what renewable energy has given to agriculture. In fact, we don't have to look at far away from us. Our neighbours from Reunion Island have demonstrated a real will, a real ambition to invest in new technologies which can produce, in fact, sustainable energy. I remember myself having commented on the situation in this very House, Madam Speaker. I am just quoting from one of the speeches I have made in the past –

“Comme je l'avais dit tout à l'heure, nous assistons à une baisse des prix, au niveau mondial, de ces nouvelles technologies. On parle même de nanotechnologie - avec les panneaux en couche mince - qui se dégrade plus lentement et qui est la dernière technologie en matière de réalisation de panneaux solaires.

Aujourd'hui, donc, la Réunion représente - l'exemple d'un pays capitalisant sur une panoplie - un panel de nouvelles technologies en matière d'énergie renouvelable. En terme éolien, M. le président, ils ont atteint 16 mégawats déjà. La plus grosse unité de production solaire à la Réunion est de 12 mégawats ... etcetera”

“Mr Speaker, Sir, the technologies in renewable energy are diverse (...)”

I am quoting -

“I would like also to reflect on the issue of how renewable energy can help us in agriculture, parce que nous savons qu'aujourd'hui, à la Réunion, la mise en place d'un nouveau concept du développement durable a allié le développement de la production d'énergie solaire conjuguée à la construction de serre agricole, dont l'objectif principal est le développement d'une nouvelle figure agricole sous serre.

This is one way how we can use solar energy to promote agriculture in our country (...)"

“La capacité de la serre à réguler la lumière nécessaire à la photosynthèse des plantes et la chaleur, grâce à l’utilisation de panneaux photovoltaïques adaptés qui ne laisseront passer que la chaleur nécessaire au développement des plantes”.

So much for agro-industry, Madam Speaker, and I hope the Ministry and the authority will reflect on how renewable energy can help our agro-industry.

Last point, I will ask the hon. Minister to enlighten the House on something which I consider very interesting and important. For years now, we have been talking of a type of sugarcane, high-fibre sugarcane, with a high calorific value, which I understand, has been produced in Reunion Island, which is being used and which can help in our cogeneration projects and the different plants that we have. Since I was Minister, that is, 15 years ago, we heard about this and the MSIRI, at that time, was doing research on the production of this high-fibre sugarcane with high calorific value. I understand that Reunion Island has been able to come up with it, and I am sure that the Minister of Agro-industry or the Minister of Public Utilities must have the answer to the question I am asking.

To conclude, Madam Speaker, I would congratulate the hon. Minister, wish good luck to the country. I omitted to say that I was wondering also why somebody from the Mauritius Research Council should not have been sitting on the Board. But having said this, Madam Speaker, I wish good luck to MARENA and to the country.

Thank you.

(6.45 p.m.)

Mr J. F. François (First Member for Rodrigues): Madam Speaker, allow me to thank everyone who has worked on this MARENA Bill and the Vice-Prime Minister, Minister of Energy and Public Utilities, hon. Collendavelloo, for its introduction in the House. I also thank all hon. Members who preceded me for their very concise, objective and constructive contribution to this debate.

Madam Speaker, it is with much interest for our Republic and the world at large that I am contributing to this debate in support of this MARENA Bill, a very interesting Bill. Our Republic needs to keep abreast of international developments and innovations in the field of renewable energy. This Bill is allowing us to make a valuable stride forward in joining the

trend for the right renewable energy strategy despite we are late. I seize the opportunity to cite Jeremy Rifkin who is talking today about the beginning of the third industrial revolution which, without any doubt, will channel through a shift to renewable, clean energy revolution merged with Internet technology.

Madam Speaker, our Republic cannot miss this shift to join what is called the power intelligent network, which shall have the same impact as Internet is on our daily life today. Energy is power to the people, having a double meaning, and the translation of these words in French means *le pouvoir et l'électricité au peuple*.

Madam Speaker, the hon. Vice-Prime Minister, hon. Collendavelloo's initiative to give the right impulse for the establishment of this MARENA is a clear signal to new energy, social, ecological, economic and environmental concerns for our Republic while we are moving gradually to a clean and green economy and our green society. On the same wavelength, I appreciate what late Abdul Kallam, former Indian President, wrote in his PURA vision for India, and I quote –

“Development is closely linked with energy consumption. An increase in the demand for energy is both a prerequisite for development and a consequence of it”.

Madam Speaker, strong socio-economic benefits and the positive ecological effect of renewable energy is a fundamental chance for our Republic in three main avenues.

Firstly, in combating the global challenge of climate change - very important word, climate change.

Secondly, sustainable development with creation of energy entrepreneurs together with job creation.

Thirdly, energy security, which has been of hard talk lately.

Madam Speaker, Adnan Z. Amin, the Director General of IRENA wrote, and I quote

–

“Renewable energy road map 2030 is the solution for how each country in the world can work together to double the share of renewable energy in the global energy mix”.

It is important to point out here that the global energy vision 2030, through its main objectives, is boosting our Republic to consider improving energy efficiency - well canvassed in this House - in residential, industrial, transport and commercial sectors. Hon. Collendavelloo is right in saying that our Republic needs a rethinking about energy

efficiency, be it in all the sectors I just mentioned above, in a way to save money and improve quality of life of our citizens.

Objectives in reducing fossil fuel dependence; replacing petroleum as primary fuel source for transport by renewable fuels; enforcing methods for developments of green energy through international collaboration, and reducing the net gas emission per unit of energy consumption. I will come to that later on. These global energy objectives, Madam Speaker, tallied with the MARENA Bill as set out in section 4 of this Bill.

Madam Speaker, our Republic forms part also of a global initiative of the Small Island Developing States (SIDS) Lighthouses, featured as an area for collaborative action. During SIDS Conference in Samoa in May 2014 and the Climate Change Summit in September 2014, renewable energy was highlighted as a crucial path of sustainable development and as resilience to climate change. I come to these words again, 'climate change'.

Madam Speaker, section 4 (a) of this Bill stipulates -

“(...) promote the adoption and use of renewable energy with a view to achieving sustainable development goals;”

Madam Speaker, with regard to section 4, may I suggest that the hon. Vice-Prime Minister considers amending section 4 (a) by adding the words “and climate change solution” after the word “goals”. This section meets the call from the UN Secretary-General, Mr Ban Ki-Moon, at the SIDS Conference for International Community, to focus on the imperative of energy of sustainable development.

Energy security, Madam Speaker, and affordable energy are important to ensure that our Republic can generate a steady supply of energy to all its citizens at affordable cost at all times and to maintain our economic performance and our social well-being. The psychological words 'electricity blackout', coupled with 'energy security, have been raised recently with much apprehension following the World Bank Report. It is a concern for all of us, as mentioned by the hon. Leader of the Opposition.

Madam Speaker, our way forward is an energy independent strategy. Being given our Republic is strongly dependent on import of oil for energy generation, we need to become resilient to cope with shocks and changes on the import fuel prices while improving energy security and reliability.

Madam Speaker, energy security can only be achieved whenever there are sufficient levels of energy resources reliably distributed via robust network. I will not go into the details of our energy consumption pattern, but I would like to highlight the actual energy generating capacity, which is 2,640 Gigawatt in Mauritius and 37.2 Gigawatt in Rodrigues in 2014 as per CEB. Madam Speaker, I agree that the use of liquefied gas is part and not the only solution for energy generation in Mauritius.

In the same direction, I will suggest that MARENA follows closely the evolution of the China flammable ice, also called gas hydrate, detected in the permafrost in Qilian Mountain Qinghai Province in China. According to publications, deposits are estimated to be 110 billion metric tonnes in oil equivalent in permafrost and ocean sediments, while China consumed 2.6 billion tonnes of oil equivalents last year, that is, China is looking forward to have more than 40 years of gas hydrate as natural stock. Gas hydrate is relatively a clean energy releasing half of the amount of carbon dioxide when burnt than oil and coal do. The commercial production of gas hydrate is scheduled for around 2030 and MARENA will need to ponder about this.

Renewable energy targets, Madam Speaker. This begs the question: what are our targets and implications in the coming years for renewable energy and greater energy efficiency? Adopting renewable energy will impact on various legal frameworks requiring amendments such as the Environment Protection Act, EPA 2002 - the Minister of Environment, Sustainable Development and Disaster and Beach Management, hon. Dayal -, the Planning and Development Act - the hon. Vice-Prime Minister, Minister of Housing and Lands, hon. Soodhun - and the Building Act – the Minister of Public Infrastructure and Land Transport, hon. Bodha - in considering the development of intelligent building in our Republic, of green buildings using modern technology.

(Interruptions)

Smart cities, that's correct! Even section 26 of the Regional Assembly Act 2001 will need to be amended as per matters set out in the Fourth Schedule, areas of responsibilities to be exercised by the Regional Assembly, to add the word 'energy'.

The National Development Strategy of our country - I think, dated back since 2003 - will need to be reviewed to cater for new trend and requirements in terms of spatial planning in its consideration for renewable energy development projects. The hon. Vice-Prime Minister puts it right and he says that Government has set a renewable energy target to

achieve 35% for electricity generation by 2025, compared to only 10% to 15% in 2015, if my number is correct.

In another comparison, our neighbour, Reunion Island, is targeting 35% by 2015 and Seychelles 15% by 2030. Madam Speaker, I believe that our target, despite all the challenge, remains a bit low - this is my point of view - as we have enough natural energy resources for a higher target and to be competitive with other countries.

Madam Speaker, in reality, how long it will take us to meet, let's say 70% marked target? In comparison, in a country like New Zealand, renewables currently make up 79% total electricity generation. In Iceland and Norway, the shares of electricity production from renewable resources exceed 90%, according to IRENA.

Coming to the function of the agency, Madam Speaker, this is where the function of MARENA in section 5 (k) is important to establishing linkages with the IRENA and other regional or international institutions with similar objectives. This will enable our Republic to obtain technical support and expertise, for example, in preparing our renewable readiness assessment for our Republic. I don't know if we have one of this.

Madam Speaker, with regard to the administration of the Board, of its composition, I have to say I was very pleased Tuesday last, following my private representation to hear the hon. Vice-Prime Minister, hon. Collendavelloo, mentioning that he will bring amendment to the Bill at Committee Stage to include two representatives from Rodrigues. I found that very heartening, as the amendment values the autonomous status of Rodrigues Island within the Republic of Mauritius while Rodrigues is driving towards an ecological and sustainable island with all its potential for renewable energy development.

Madam Speaker, allow me now to talk about the actual situation of Rodrigues with regard to renewable energy and its integration. I have to refer to a few statistics for energy in Rodrigues as per CEB from its integrated electricity plan 2013-2022, where the energy demand for Rodrigues is around 33.2 Gigawatt per year, having reached the maximum peak of 7.2 Megawatt peak per day. The energy mix is 91% of production from the two thermal power stations, diesel engine, diesel heavy fuel oil, namely at Port Mathurin of capacity 6 Megawatt and Pointe Monier 6.3 Megawatt capacity and 8% is regenerated by the two wind farms, namely at Grenade and Trèfles and 1% from SSDGs correctly mentioned by hon. Ganoo.

As per the CEB, Rodrigues electricity demand is expected to grow annually by 2.1% for the period 2013-2017. I note also that CEB's operation cost is very high in Rodrigues, with high abnormality, high network losses in the CEB electricity network system, which is around 12%, and that is very high.

Madam Speaker, the high cost of energy operation is also associated with recurrent power failures, from where I live at Mont Limon, as I am close to a feeder control point. For the month of July, I have recorded around seven power cuts, if I am not mistaken. I am not quite sure whether it was a general breakdown or feeder treating from technical problems.

Madam Speaker, I have to say that, despite the power failures, it is a very good opportunity for my party OPR, with symbol candle, to canvass each and every Rodriguan to use candles to light their homes. I am sure that Serge Clair, my Leader, will be happy about that.

(Interruptions)

Madam Speaker, following the last accident at the filling station of Port Mathurin, I seize this opportunity to request CEB, in its energy strategy for Rodrigues, to consider the relocation of the old Port Mathurin power station during retirement of its MWM engines out of Port Mathurin business centre as a matter of security and environmental concern.

Renewable energy in Rodrigues. It is clear that exploiting the renewable energy sources such as wind, solar, waves from the ocean and biofuel is a sustainable option for power generation in Rodrigues. The question is: to what extent is the energy generation mix for renewable energy for Rodrigues, bearing in mind that technologies remain relatively very high?

Madam Speaker, despite the cost constraint, Rodrigues needs to increase exponentially its renewable energy consumption. Rodrigues has to set the example as a role model of economic energy usage by installing, for example, PV system on all major Government buildings, which will require CEB to review its policy for intake of renewable energy on its grids.

Madam Speaker, solar energy is the most abundant energy resources on earth. The SSDG project in Rodrigues was initially implemented for a quota of only 100KW. The new 2015 SSDG scheme provides for an additional 100KW to move to 200KW. At present, there are only 24 SSDG installations on a total of around 12,000 residential houses dispersed throughout the island and generating only 150KW of energy power.

Solar energy development needs a further step forward, but with high consideration for storage system. I was in Reunion Island together with hon. Minister Lutchmeenaraidoo; we visited Bardzour project. At Bardzour project in Reunion Island, they have around 28,000 solar panels and they have a capacity to store power for about 9MW and they can release this power gradually whenever it is needed to their grid, and I think we have to look into that.

Madam Speaker, I have been advised also by an expert that one key element for the promotion of renewable energy in Rodrigues is the possibility to determine a Rodrigues electricity tariff which might be different from that of mainland Mauritius, as per the specific requirements of Rodrigues. I refer here, for example, to the introduction of what I call 'time of used tariffs' that may be important to absorb the overcapacity of wind during the night hours when there is less power demand in Rodrigues. If consumption during the night hours, that is, between 6 p.m. to 12 p.m. is cheaper, households may postpone the use of heavy loads into these hours. A higher tariff should apply to the peak hours during the day as from 6 a.m. to 6 p.m. and a standard rate when there is plenty of wind and sun power generation into the grid.

Madam Speaker, Rodrigues may also consider the introduction - that is another thing - of a special tariff structure as incentives to energy use efficiency and penalises also as well any energy wastage. This could be introduced by fixing standard tariffs for the normal efficient use of electricity for households; that is measured in KW per month per square metre. With lower tariffs per KW applicable for households who consume less than 80% of its standard and higher tariffs per KW for households who consume more than 120% onwards of its standard power consumption per square metre. Also, I believe that the introduction attractive feed-in tariffs for small power producers may lead to a cheaper generation of electricity in Rodrigues than at present.

Madam Speaker, Rodrigues could go beyond the net metering scheme SSDG CEB 2015 which has just been introduced by CEB. The new 2015 CEB scheme only allows for a balancing of a power production and consumption of small system, but does not allow decentralised power generation beyond own consumption.

Madam Speaker, considering the fact that thermal power generation in Rodrigues is substantially more expensive than in Mauritius, this may allow for a cheaper overall generation of renewable energy in Rodrigues, with the investment cost being borne by private individuals through subsidised green loans financed by banks with incentives.

Section 6 of the Bill says that –

“MARENA shall have the power ‘with the approval of the Minister to whom responsibility for the subject of finance is assigned, raise such loan as may be required to finance renewable energy projects and studies’”.

Hon. Lutchmeenaraidoo just looked at me. I am sure he will be pleased to commit funds for such an investment.

Madam Speaker, talking about wind energy, Rodrigues has a proud history of its renewable energy as compared to mainland Mauritius. Briefly, the first wind energy power of the Republic was from a wind energy generator of capacity 2KW installed at Anse Quitor, Rodrigues, for water pumping out of a borehole and providing domestic lighting to villagers of Anse Quitor between 1983 up to March 1987.

(Interruptions)

In 1998, hon. Jhugroo, a wind park of four aeroman of capacity 30KW each was commissioned, officially inaugurated by hon. Mahendra Utchanah in May 1989. Then, the four aeroman at Trèfles were replaced in 2003 by three new tiltable type wind turbines of capacity 60KW after cyclone Bella on 30 and 31 January 1991, which hit us hard and causing severe damages to our wind park at Trèfles.

The second wind farm at Grenade contains four wind turbines of capacity 275KW each, installed phase wise in 2009 and 2010. Furthermore, in year 2001, in collaboration with UNDP, Rodrigues was engaged in renewable solar energy in the agricultural valley of Rivière Bananes where farmers - I think about 11 farmers - benefited a stand-alone solar panel to generate electricity for pumping water for irrigation purposes. However, I think that the sensitisation of this process to promote renewable energy was not canvassed enough for replication of same.

Madam Speaker, actually in Rodrigues, the actual Executive Council, under the chairmanship of the Chief Commissioner Serge Clair, in partnership with the Mauritius Research Council, is working on an offshore wind farm installation project. The project will require a good funding strategy through the right financing schemes and support from international partners such as *Agence Française de Développement* (AFD), European Union and others.

Coming to wave energy, Madam Speaker, combined with water production from seawater is renewable energy sources for our Republic. Today, the only known operational multi-unit grid connected to wave energy convertor array to produce both power and potable water is that of the Perth wave energy project in Australia.

This technology interests us a lot in Rodrigues. Madam Speaker, the Government of Australia in collaboration with Carnegie Wave Energy Ltd., an Australian publicly listed company, and the Mauritius Research Council have signed a MoU and are currently working in support for investment in a wave and microgrid proposal for Mauritius, including Rodrigues.

Her Excellency Ms Susan Coles, the Australian High Commissioner, was in Rodrigues last week in that regard. I understand that Rodrigues, given its acute water problems, water needs and power isolation, depending on imports from Mauritius, as I said, will be used as a case study for a decentralised integrated microgrid solution that manages renewable energy. This will be from wave and solar PV using storage, automation and intelligent control systems to ensure reliable, quality, grid stability and desalinated potable water production.

Coming to biogas, Madam Speaker, Rodrigues has also embarked on a small scale biogas production for cooking gas. A group of young graduates in renewable energy has built a first biogas system from pig slurry producing around 4 to 8 metre cube of gas weekly for 60 persons at a vocational training school called the *Centre de Formation Agricole Frère Rémi* at Camp du Roi, Rodrigues.

Among a few initiatives, Rodrigues is also targeting energy, renewable energy from waste, from the Grenade open dump landfill. Rodrigues is also planning to set up an eco-village with 100% dependents on renewable energy.

Madam Speaker, the Mauritius Research Council and locals are undergoing research on algae growth in Rodrigues. Algae could be developed as a form of biodiesel and its residual as organic fertiliser or food for our farm chicken, pigs or cows. Recently, with the collaboration of the Indian Ocean Commission (IOC), Renewable Energy and Energy Efficiency Strategic Programme, a workshop was organised in July this year, in Rodrigues, to establish the priorities and objectives of the Regional Assembly as well as private sector and the population at large. They have identified projects opportunities from the development of renewable energies and energy efficiency measures for Rodrigues generation of electricity,

including storage, provision of cooking energy, transport and waste management. I have to say that Rodrigues has set its objective for renewable energy targets to a very, very high level.

Madam Speaker, the Commissioner for Environment in Rodrigues, Mr Richard Payendee, stated recently that he is targeting 100% renewable energy share. Commissioner Payendee, our environment champion - I have to call him - wants to see Rodrigues to be among the first island in the world to rely solely on renewable energy. This might seem unrealistic or unachievable, but if there is a will, there is a way - isn't it hon. Prime Minister?

The good people of Rodrigues also are committed to this vision. Yes, Madam Speaker, we imagine it, we dream it and so we can achieve it. In that direction, the MARENA will play a fundamental role as per section 6(d) to assess the feasibility and competitiveness of renewable energy projects by removing barriers in switching between heavy or crude oil and renewable energy.

To conclude, Madam Speaker, on Rodrigues, we are very ambitious to jump and look ahead with respect to the integration of renewable energy in the island-grid. Rodrigues could be used as a model for our Republic in the use and development of renewable energy.

Madam Speaker, the strategy of Renewable Energy Focus for Rodrigues sustainable development is the way forward to highly contributing in realising the ambitious vision of the present OPR Regional Government of making Rodrigues an ecological and sustainable island. We will achieve it, as rightly prophesised by my Leader, Serge Clair, the Chief Commissioner of Rodrigues, even if it will be in the next 20, 30, 40 or 50 years' time. Serge Clair, my Leader, always reminds us that we might not be here, but our children and the new generation will be here. This is a dream for us all in Rodrigues, Madam Speaker.

I conclude by expressing my full support to this MARENA Bill 2015 and that our Republic continues to make progress and transitions through renewable energy for a clean and green society and a new economic paradigm. Renewable energy is the way forward.

Madam Speaker, that will be all for me, and I thank you for your kind attention.

Madam Speaker: Hon. Mahomed!

(7.16 p.m.)

Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central):
Thank you, Madam Speaker. It is always very tough to speak after so many accomplished

speakers. So, the consequence of this, I have had to cut a huge portion out of my original speech, much to the happiness of hon. Jhugroo who is time-keeper today.

Let me start by commending the Government and the hon. Vice-Prime Minister, Minister of Energy and Public Utilities for bringing forward this draft piece of legislation for debate.

It is welcome; at least, some of it. With MARENA - not Macarena...

(Interruptions)

a comparison that has been of amusement in the press lately - the time is ripe for this Government to bring to the next level all the good initiatives and projects undertaken under Maurice Ile Durable Policy, Strategy and Action Plan, under which some 70MW worth of renewable energy projects were initiated and to be developed, namely two major wind farms, six solar photovoltaic farms, a carbon credit registered landfill gas to energy project and some 300 families registered already under the small scale distributed generation scheme. So, we are here again, today, resurrecting the MID II Project. With MID, which I presented at the UN Headquarters in 2013, the Republic of Mauritius was fully embarked on a four-pronged strategy for our energy transition, and they consisted of –

- (i) increasing focus on energy efficiency and renewable energy;
- (ii) new energy systems;
- (iii) democratisation, and
- (iv) decentralisation.

The two-fold goals of developing the energy sector in the spirit of MID were –

- (i) to meet the objectives of improved security of supply, affordability and respect for the natural environment, the so-called energy policy trilemma, and
- (ii) to decouple the economy of Mauritius from the world fuel markets; to reduce energy intensity and increase the proportion of renewable energy, and to entering the grid.

To say that ‘there was a lack of energy at the Ministry of Energy’, if I may quote the hon. Vice-Prime Minister himself, thereby denigrating the record of the former Deputy Prime Minister, I believe due to his age it is not a fair statement. Indeed, to many, he must seem

positively youthful in this present governmental context. At policy level, hitherto, we were very energetic in the promotion of renewable energy.

Let me just remind the House, Madam Speaker, the Cabinet decision of 02 August 2013 from the Ministry of Energy, which reads as follows –

“Cabinet has taken note that, under the Maurice Ile Durable Policy, Strategy and Action Plan, the contribution of renewable energy, i.e., Hydro, Bagasse, Wind, Photovoltaic, Landfill Gas-to-Energy and Small Scale Distributed Generation, is estimated at 23.4% of total energy generation in 2014 and to reach 35% in 2025.”

This is hardly a comatose stance. Moreover, that was a clear target. The current Bill, albeit mentioning increasing the share of renewable energy as one of the objects of MARENA, falls short of mentioning any sort of target at all. It is to my view, therefore, a Bill without vitality, without verve.

Madam Speaker, nevertheless, I am glad to hear from the hon. Vice-Prime Minister’s presentation of the Bill that the definition of renewable energy in there is based on the definition found in the statutes of the International Renewable Energy Agency (IRENA). The statutes define the term ‘renewable energy’ as all forms of energy produced from renewable sources in a sustainable manner, and they include six forms of energy –

- bioenergy;
- geothermal power;
- hydropower;
- ocean energy;
- solar energy, and
- wind energy

But it is clear that liquid natural gas (LNG) is not part of the definition at all! I see that the hon. Vice-Prime Minister has provided the rationale for including LNG as part of the remit of MARENA. My qualm here is whether a major LNG project will be part of the key performance indicators of MARENA tomorrow.

If LNG is a major part of the Government Programme, this could quite overshadow the other real forms of renewable energy that many bodies around the world are implementing. Does the hon. Vice-Prime Minister want Mauritius to be the odd one out? I question! But, strange and more worrying here, we see the hon. Vice-Prime Minister

proposing LNG as one of the objects of this Bill and yet, he leaves alone ethanol altogether, ethanol which is now being produced locally! For here, in this Bill, we see the hon. Vice-Prime Minister throwing away a major opportunity for going down in history as a green policy hero. We are on the very brink of a major transition in our agricultural and sugarcane industry and he leaves them out in the cold! How about working on the price at which bagasse is being paid to cane planters? I hope that MARENA will work together with the Ministry of Agro-Industry and Food Security to review the price of bagasse being paid. Otherwise, the share of renewable energy from bagasse will go down with each passing year because there is not enough incentive.

Madam Speaker, it is just crazy to see the chasm opening up between this paragraph of the Bill and paragraph 204 of the Government Programme – Achieving Meaningful Change. In there, the Government undertook to accelerate the reforms already started in the cane industry to make it sustainable and financially viable. That must surely include the diversification into ethanol and further bagasse production and use them as a source of energy locally. Those who have prepared this Bill have not gone through all the policy papers of the Government. It is quite clear to my view!

I dwell on the issue of ethanol, as I do know something about it, having worked with the *Agence Française de Développement* when I was in office at the Prime Minister's Office at the Maurice Ile Durable Commission at that time. We had moved the feasibility study forward and I am fully aware that we could not start using ethanol in cars because of two reasons. Although there are accepted problems of using ethanol in cars, there is no reason why it can't be of strategic use in electricity production. This is something that MARENA could study, in my view.

Madam Speaker, on a different note, it is an undeniable fact that one of the main barriers to the injection of renewable energy into the grid is the fact that electricity from wind, sun and waves is intermittent, meaning energies that can go on and off. Hydro and geothermal are not, however, and we have in the past given a lot of importance to those. Indeed, the Maurice Ile Durable Fund had co-funded further hydropower generation in Mauritius at Midlands Dam. Extensive geotechnical exploration for the potential of geothermal power was also undertaken at Bar le Duc, in Moka.

Coming back to the intermittency of sun and wind, it is just not true to say that when the sun goes in and the wind declines, all the lights go out when you have solar and wind

farms. The key is achieving balanced production and storage. Storage for renewable energy is a domain to which MARENA must give a high priority. It is like the dearth of savings in our economy. We must give storage a real boost and not just live it hand to mouth.

The other barrier to the injection of renewable energy into the grid is the grid itself, which is a dumb one, if I may quote the hon. Vice-Prime Minister himself who has mentioned it in Parliament. So, MARENA must give high priority to the transformation of the CEB's grid from the dumb one it is at the moment to a smart one. A smart system would, of course, make every user a competitor to the Central Electricity Board. Not a bad thing in my book! It would be a reform that would challenge the flaccid monopoly, which at times seems to be sleepwalking backwards into the future. Consumer competition would be a real wake up call, a veritable shock! Indeed, one might say a new form of enfranchisement giving real electrical power to the people. That is why I do not quite share the view that CEB must be on the board of MARENA, because it will be judge and party at the same time. This is my opinion.

Several countries are working on the technical challenge that renewable energy sources actually present. We are not alone. France and our neighbour Reunion Island are ahead of us and can offer useful technical support to keep us abreast in the field. Madam Speaker, how about a tariff structure for renewable energy projects? It would be so much easier for investors wanting to invest in renewable energy production if we had fixed the tariff for large-scale production of wind and sun energy just like *Électricité de France* does it and even India these days. It is not rocket science! They can easily be calculated. They have done it and we can learn from them.

So, I believe it would be a smart step for the hon. Vice-Prime Minister to give this Bill a fresh spark and for MARENA to have the tariff structure as one of its main objects. Or else, let the Utility Regulatory Authority do the job if it is not meant for it.

Madam Speaker, it is often said that the best form of renewable energy is the energy that we did not consume. We are here talking about low-hanging fruits that energy efficiency and energy reduction measures. It is of my view that MARENA must have close working relationship with the Energy Efficiency Management Office for the sake of greater energy efficiency in the public and private sectors, which could tremendously cut down the cost of energy we use in the country, maybe as much as 30%, and that is at the very margin of the ambitious production of renewable energy itself. If we go for that, we could double the

targets I mentioned. But do make sure that this Office is doing its job! From its track record so far, it seems to lack the energy to meet the real demand. Perhaps the hon. Minister could ask for a report from this Office, showing what it has been doing in the last nine months to improve energy efficiency in the public and private sector and what are its targets for the coming year.

Madam Speaker, in his speech, last week, the hon. Vice-Prime Minister referred to Samoa as the country where we did not attend the SIDS Conference. I will simply say I beg to differ.

(Interruptions)

A strong delegation of eight people went, including two Senior Ministers.

(Interruptions)

Madam Speaker: Please, ...

Mr Mahomed: But the hon. Minister said the Republic did not go there.

Madam Speaker: Hon. Mahomed, please continue with your intervention.

Mr Mahomed: Two senior Ministers went...

(Interruptions)

... two senior Ministers went and there you know, Madam Speaker, in Samoa ...

(Interruptions)

Mr Mahomed: *Pe coze photo encore là.*

(Interruptions)

Mr Mahomed: Well a whole delegation of eight people went and there we did not just tour around, we participated in several fora and myself I had the chance to be a panellist on the fossil fuel and renewable energy transition series which was organised by the United Nations Office for sustainable development. In Samoa, I had already started off the subject which now appears as Paragraph 5 (k) of the Bill before us today, namely establishing linkages with the International Renewable Energy Agency. In September, in Samoa, I had already met the Director General of the IRENA, Mr Adnan Z. Amin, but unfortunately, I could not pursue the discussions further because destiny had it otherwise. After my return to

Mauritius, I started hearing my name being broadcast as a candidate for the next General Election and a few weeks later I had to step down.

By the way, I am tabling all the pertinent documents for the Minister to go through, including correspondences that I had initiated with his Ministry, the Permanent Secretary at that time and with IRENA. Well, Samoa, September 2014 was a year ago. I am surprised that only today we are talking about establishing linkages with IRENA and now we hear that the former Ministry lacked energy. So, it is not a fair statement.

Moreover, I was hardly captivated by the claim that the Bill also entails the definition of a funding strategy for renewable energy. Madam Speaker, this country already has a funding strategy. It is indeed one that is formally recognised in the IMF staff Report of 2012 as follows –

1. Mauritius as a pioneer in the development of green taxes.
2. The excise on carbon base fuels under *Maurice Ile Durable* initiatives come close to an ideal carbon dioxide tax.

It is this very arrangement that has allowed us to move forward the 70 megawatts of renewable projects I had mentioned earlier. Gross investment of Rs5 billion by the private sector to be offset by a subsidy of Rs235 m. per year by the Government for the next 20 years; this was achieved in the face of many heated arguments I personally had with the former Financial Secretary, Mr Mansoor, who was of the view that plentiful supply of coal being uncovered in the world is the way forward for our future electricity supply. Coal!

Coal is only cheap if you choose to close your eyes to the cost of damages it does at every stage of its cycle of mining, distribution, use and disposal. Madam Speaker, land is an important element in the production of renewable energy. The amount of land to be used and its location, I believe, should be a strategic priority of MARENA because failing to address the land issue now will lead to huge impediments to development and immense delays. Let me just quote what happened in the Plaine Sophie Wind Farm Project.

It started off in May 2009 with the appointment of CRYSIL, an International Transaction Adviser. Subsequently, it had to move to Curepipe point because of the *dépôt de munitions* belonging to the SMF. After measurements have been done, it had to move to Plaine Sophie because Curepipe point was spot in the landing of the aircraft corridor going to SSR Airport. So, despite we had an international transaction adviser, very expensive, we wasted six years, and then when we reached Plaine Sophie, we heard that some turbines had

to move because it might jeopardise the integrity of the dam, and now when we are about to start, the Ministry of Agro-Industry says we cannot cut down the trees. So, choosing the right spot of land is a major criteria. That is why we need to have a strategy for use of land to avoid the kind of problem we experienced in Curepipe point and Plaine Sophie.

So, Madam Speaker, despite my critic of this Bill, I have to admit that it is good to see the Minister coming with this Bill. But this Bill falls behind the energetic lead that the country was being given under the previous Government.

(Interruptions)

Which it needs again if we are to continue on the right course for sustainable development, for environmental protection and to take up our place again in the field as leaders.

As a last note, I welcome the inclusion of two Members of the National Assembly on the Board of MARENA. However, every care must be taken, so as to ensure that these Members provide the drive and energy that this subject needs so greatly.

Madam Speaker, it is said that when the winds of change blow, some will build walls and some will build windmills. We have been the windmill builders and I wish to reassure you that we, on this table of the House, will leave no stone unturned in the quest of pursuing the beautiful and energetic process that sparked put off by *Maurice Ile Durable*. The winds of change are coming, we are getting out of the doldrums, and I just pray that we will not blow the country off the well-advised course that was set in the Samoa meeting.

To sum up, this Bill would be so much better if it included targets, tariffs, ethanol and price of bagasse, energy efficiency, smart grid. Land planning should be part of the strategy and not an afterthought and establishing early linkages. Moreover, it should not allow LNG in it on the false ground that it is a renewable source.

I thank you for your attention.

Mr Lesjongard: Sir, I move that the debate be now adjourned.

Mr Ameer Meea rose and seconded.

Question put and agreed to.

Debate adjourned accordingly.

ADJOURNMENT

The Prime Minister: Madam Speaker, I beg to move that this Assembly do now adjourn to Tuesday 22 September 2015 at 11.30 a.m.

The Deputy Prime Minister rose and seconded.

Question put and agreed to.

Madam Speaker: The House stands adjourned.

Hon. Members I have before me a long list of Members who wish to intervene during adjournment time. I have, in fact, nine hon. Members who wish to intervene and, as you know, we have only 30 minutes. So, I am appealing to all those who will intervene to be very brief. Hon. Rughoobur!

MATTERS RAISED

(7.41 p.m.)

GOODLANDS - MARKET FAIR

Mr S. Rughoobur (Second Member for Grand' Baie & Poudre d'Or): Thank you, Madam Speaker, for allowing me to take very briefly the time of the House.

Actually, it is regarding the market fair at Goodlands. A sum of Rs80 m. has been voted already in the last Budget and the good news is that we got a donation for a plot of land in Goodlands by the former St. Antoine Sugar Estate Board. With the elected Members of Constituency No. 6, the three elected Members, hon. Fowdar, hon. Gungah and myself, along with officers of the NDU, representatives of the Rivière du Rempart District Council and some other Ministries, we have conducted site visits. It is good to note that we are satisfied that the land is appropriate for the market.

So, I would request the Rt. hon. Prime Minister to look into the possibility of accelerating the vesting of the land to the NDU, as this is a donation from the St. Antoine Sugar Estate and, in that process, I am sure the Ministry of Housing and Lands might be helping also along this process.

Thank you.

The Prime Minister: Madam Speaker, we will look into this and do the needful.

Madam Speaker: Hon. Mrs Selvon!

SABLE NOIR - BRIDGE

Mrs D. Selvon (Second Member for GRNW & Port Louis West): Thank you, Madam Speaker, for allowing me to raise a matter of great importance for the residents of a coastal agglomeration called Sable Noir in my Constituency of Grand River North West and Port Louis West. I am addressing the following remarks to the hon. Minister of Public Infrastructure and Land Transport.

The agglomeration of Sable Noir is crossed by a canal and a brand new bridge has recently been built over the canal, but it literally leads to nowhere because there is a privately owned land over the bridge and the public is not allowed by law to cross onto it. So, further works have been stopped pending the acquisition of the private land by the Government to allow public access.

I am requesting the hon. Minister to look into the matter and to untie the Gordian knot, I will say, by furthering the compulsory acquisition of the span of land that will allow access to the area beyond the bridge.

In addition, I would like to draw attention to the fact that the canal is more often than not polluted by industrial activities and is currently stagnant in Sable Noir, causing much inconvenience and probably the risk of contagious diseases to the local residents.

To help the hon. Minister to appraise the situation more conveniently, he can refer to the notes of meeting of all concerned, shared at the NDU by hon. Abbas Mamode, Parliamentary Private Secretary, on 13 August 2015.

I am tabling a copy of the notes of meeting for the convenience of the House.

Thank you.

The Minister of Public Infrastructure and Land Transport (Mr N. Bodha): Madam Speaker, I will consider the matter and I will raise the matter also with my colleague, the hon. Vice-Prime Minister, Minister of Housing and lands.

PORT LOUIS - SYNTHETIC PLAYGROUNDS

Mr R. Uteem (First Member for Port Louis South & Port Louis Central): Madam Speaker, I understand that the substantive Minister of Youth and Sports is not here.

The problem concerns the price that is being charged for children to play on the synthetic playground in Port Louis. Earlier to a PQ, the hon. Minister mentioned that there has been an increase from Rs100 to between Rs200 and Rs250 per hour, and we have received representations that there are a lot of college students and primary school students

who, during weekends, go and play on this synthetic playground and it is very difficult for them to fork out Rs250 every Sunday when they play.

So, may I ask the hon. Minister to consider reviewing the price structure, at least, for those who are students and can't afford to pay Rs250 per hour?

The Minister of Arts and Culture (Mr S. Baboo): Madam, Speaker, I will look into the matter when the substantive Minister is back. Thank you.

AIRMATE COMPANY - DISABLED PERSON – LAID OFF

Mr S. Mohamed (First Member for Port Louis Maritime & Port Louis East): The issue is addressed to the Rt. hon. Prime Minister and it is with regard to the Training and Employment of Disabled Persons Act.

That piece of legislation, the Training and Employment of Disabled Persons Act, as you will all remember in this august Assembly, requires that all companies of a workforce of about 35 employees or more to have, at least, 3% of their workforce being disabled. There is a young man living in my constituency and his father has made it public on Facebook already. His name is Mr Mohammad Ashfaq Rawat. He is a 20-year old young man who was given a job at Airmate and after a year of good and loyal service he obtained no criticisms with regard to the level of his service but, on the contrary, all praise for a young man who is deaf and dumb; he cannot hear, he cannot speak. He was given task whereby he was a messenger. He was ensuring that the offices were clean and that tea and coffee were dispensed. He was always congratulated by every single person whom he has come in contact with.

Last year, on 20 May 2015, he was remitted a letter without any notice whatsoever, and he said in the Press that someone told him unfortunately - and I am not saying that it is true, but maybe it is only an excuse for the cowardly person who came to give him that letter - that '*nous pe bizin nettoyer*'.

So, today, that young person asks his parents, "why is it that I, as a disabled person, when I thought that I had obtained a job that would guarantee my future, that one day when my parents are not here to continue to take care of me financially, I am going to take care of my parents by being productive to society, why is it that I have lost my job? Why is it that the 3% that the law says that a body like Airmate, a company owned by the State, is not taken to task by throwing me out without any notice whatsoever? Is it simply because I am a

handicapped person?” He asked his mother, “why is it that you did not give birth in France? Because in France I would have been more protected?”

This is what he said in the Press. You may not agree with him, you do not understand his suffering; he is the one who is suffering. So, my prayer today to the Rt. hon. Prime Minister is to, please, help him. Please, help him, because he is someone who is a 20-year old young man. We have to encourage him to have confidence in our society and not to lose all faith in mankind. He deserves our support, and our views on the handicapped can, at least, with this case, be demonstrated that we are humane in our approach.

So, my prayer is that this becomes a priority for our Rt. hon. Prime Minister; that this young man be returned his job so that, at least, he has confidence in this nation.

Thank you.

The Prime Minister: Madam Speaker, I will look into the matter.

ROSE HILL - TRAFFIC CONGESTION

Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière): Madam Speaker, my plea is with my good friend, the Minister of Public Infrastructure and Land Transport, hon. Bodha, concerning the problems of traffic at Rose Hill, Vandermeersch, Malartic Street, which, day by day, are becoming a nightmare.

I have raised this issue on many occasions. I am asking the hon. Minister, making a plea to him to have the Traffic Management Unit to, at least, see to it that Malartic Street and Reverend Lebrun...

(Interruptions)

There is no Deputy Prime Minister now, unless hon. Soodhun comes and resides there! So, can I make a plea to the hon. Minister to, at least, see to it? One day, somebody would die in a car accident; there are so many problems. At least, there must be one way at Malartic Street and one way at Reverend Lebrun and increase the Police patrol.

The Minister of Public Infrastructure and Land Transport (Mr N. Bodha): Madam Speaker, the suggestions of hon. Bhagwan are very interesting. We will definitely look into the matter. In fact, I have been waiting for him to go on the site.

(Interruptions)

Thank you.

JARDIN DE PLAINE VERTE - PUBLIC TOILETS

Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East): Madam Speaker, my issue to the hon. Minister of Local Government is in relation to two public toilets in *Jardin de Plaine Verte*. The one at Renaissance and the second one at Khadafi Square are in a very, very bad state and even yesterday I have received several phone calls about wastewater overflow.

I will kindly request the hon. Minister to instruct the Municipality of Port Louis to do the needful to upgrade the public toilets there and also to look into the matter of the overflow of wastewater.

Thank you.

The Minister of Local Government (Dr. A. Husnoo): Madam Speaker, I will look into it. Thank you.

Madam Speaker: Hon. Baloomoody!

NATIONAL IDENTITY CARD - ISSUE

Mr V. Baloomoody (Third Member for GRNW & Port Louis West): Madam Speaker, I understand that the hon. Minister of Financial Services, Good Governance and Institutional Reforms, Minister of Technology, Communication and Innovation had to leave urgently, but still I will raise the point so that he can have an opportunity to make a statement to the House regarding the re-opening of the centres for the issue of ID cards.

As the Rt. hon. Prime Minister is aware - and I am sure all the hon. Members are aware - the Court found that “the provisions in the National Identity Card Act and the Data Protection Act for the storage and retention of fingerprints and other personal biometric data collected for the purpose of the biometric identity card of a citizen are unconstitutional.”

Now, what we have is that people who are attending these centres have to give their fingerprints. It is stored for 15 days - 3 or 4 days, I don't know - and they will get their card in 15 days. So, there is a storage and we don't know what is happening after that. It is not clear; it is not transparent how it is destroyed and whether it is being destroyed or not, and this is creating some confusion for the members of the public. Some people are reluctant to give their fingerprints for the new card. So, can I ask the Rt. hon. Prime Minister if the hon. Minister can come and state clearly how this process is, so that it is clear in the mind of the public that the storage is being destroyed?

Secondly, there is the issue of consent. Apparently, the consent form comes after you have given your fingerprints. The process is you go and give your fingerprints and on the screen you give your consent nor is communicated to the applicant and many people don't understand because it is in English. It is not explained to them in a language that they will understand, especially the old people. So, may we clarify this issue? Because we have got other few months to finalise for the new identity card.

The Prime Minister: Madam Speaker, the Minister concerned will look into the matter.

Madam Speaker: Hon. Lesjongard!

NEW MOSQUE ROAD, CHEMIN GRENIER – REINSTATEMENT

Mr G. Lesjongard (Second Member for Savanne & Black River): Thank you, Madam Speaker, for allowing me to raise this issue which is addressed to the Minister responsible for public infrastructure. It concerns New Mosque Road at Chemin Grenier. The inhabitants of that road, Madam Speaker, have made several requests to Government that go over a period of three years, I understand, for works which have been carried out by several public utilities. The road has not been reinstated properly and they face serious problems during rainy periods.

I would request the hon. Minister to urgently look into the matter and try to remedy the situation.

Thank you, Madam Speaker.

The Minister of Public Infrastructure and Land Transport (Mr N. Bodha): I will look into the matter urgently, Madam Speaker.

At 7.54 p.m. the Assembly was, on its rising, adjourned to Tuesday 22 September 2015 at 11.30 a.m.

WRITTEN ANSWERS TO QUESTIONS

LAND RESEARCH AND MEDIATION COMMISSION - REPORT

(No. B/482) Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Land Research and Mediation Commission which was set up in February 2013 following the recommendation of

the Truth and Justice Commission for a Land and Monitoring Research Unit, he will, for the benefit of the House, obtain therefrom, information as to where matters stand with regard to the work thereof.

Reply (The Deputy Prime Minister): A Ministerial Committee has been set up by the Government in February of this year, under my chairmanship, to reconsider the recommendations contained in the Report of the Truth and Justice Commission. It has had regular meetings. The Committee has as Members the following Ministers -

- The hon. Vice-Prime Minister, Minister of Housing and Lands
- The hon. Minister of Public Infrastructure and Land Transport
- The hon. Minister of Social Integration and Economic Empowerment
- The hon. Attorney General
- The hon. Minister of Arts and Culture
- The hon. Minister of Technology, Communication and Innovation
- The hon. Minister of Social Security, National Solidarity and Reforms Institutions

The Ministerial Committee has already recommended the re-constitution of the Land Research and Monitoring Unit.

This Unit which had previously been set up in February 2013 has submitted an Interim Report in April 2015. The Interim Report has found that out of 224 cases mentioned in the Truth and Justice Commission Report, there are 42 cases, that is, 27 in Mauritius and 15 in Rodrigues, where there is sufficient evidence of land dispossession. In 91 cases, there is no evidence of dispossession. There are 87 cases which should be followed by the Land Research and Mediation Unit.

In view of the fact that there is an additional 131 cases, that is, 121 in Mauritius and 11 in Rodrigues, which have not been investigated by the defunct Truth and Justice Commission on account of late submission of requests, the Ministerial Committee has

recommended the re-appointment of the former Chief Surveyor for continuation of the work which he had started.

The Ministerial Committee has also recommended that the Unit be adequately staffed to make it fully operational. The necessary procedures have already started to staff the Unit with the following persons -

- the former Chief Surveyor (to head the Unit);
- a part-time land surveyor from the Ministry of Housing and Lands;
- a retired officer from the Registrar General's Department, and
- an Attorney.

Concurrently, to continuing the above investigations, the Unit would provide assistance to the 42 cases, which have enough evidence of dispossession of land with a view to recovering the land either through legal action or mediation.

POLICE & CRIMINAL EVIDENCE BILL – INTRODUCTION

(No. B/483) Mr V. Baloomoody (Third Member for GRNW & Port Louis West) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the longstanding proposition for the introduction of a Police and Criminal Evidence Bill, he will state if consideration will now be given thereto with the objective, *inter alia*, of putting an end to the existing abusive and arbitrary use of provisional charges.

Reply: In the Government Programme 2015-2019, mention has been made of the proposed introduction of a modern legal framework modelled on the UK Police and Criminal Evidence Act to address the abusiveness and arbitrariness of the present system of “Provisional Charges”.

The Police and Criminal Evidence Bill was introduced and read a first time in the National Assembly on 16 April 2013, but never passed. Given that Government has a fresh mandate, and is not bound by Bills introduced by the previous Government, the Attorney General's Office is currently having a fresh look at the Bill.

In view of the sensitive and complex nature of the issue, it is imperative to have wide consultations with all stakeholders before introducing a new Bill in the National Assembly. This consultation process, which will take some time, will start as soon as the fresh draft Bill is ready by the Attorney General's Office.

It is apposite to note that the public perception is that the provisional charge is used mainly in the context of arrests at a stage where there is little evidence available and where the Police are often depriving a citizen of his liberty whilst taking their time to carry out the inquiry and resisting the quashing of the provisional information. Further, the provisional information carries with it restrictions of the right to liberty and freedom of movement and also has a social stigma attached to it.

In the light of what has been observed both in our case law and Police practices, consideration will be given by Government, following consultations with all relevant stakeholders, to study whether the concept of “provisional charge”, which is specific to Mauritius, still has its *raison d’être*, especially in the light of the significant improvements Government intends to bring to the Police Force.

ROCHES NOIRES CASE – INQUIRY

(No. B/484) Mr S. Rutnah (Third Member for Piton & Rivière du Rempart) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Roches Noires case, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to where matters stand as to the inquiry being carried out thereinto, indicating the number of suspects against whom provisional charges have been lodged, further indicating –

- (a) the number thereof who are presently on bail, and
- (b) when formal charges will be lodged against them.

Reply: I wish to refer the hon. Member to the reply I made to Parliamentary Question B/414 on 08 September 2015, wherein I informed that the case of larceny armed with offensive weapon which occurred in the bungalow of the former Prime Minister at Roches Noires, was re-opened in the light of fresh information obtained.

I am informed by the Commissioner of Police that, on 11 January 2015, Mr D.G voluntarily came to the Central CID accompanied by his Counsel and a defence statement was recorded. He stated that he was not in the bungalow at the time of the theft and that it was the former Prime Minister and Mrs N.S. who were present there and were the victims.

In regard to part (a) of the question, I am informed that three persons were arrested and provisionally charged for the offence of conspiracy to commit an unlawful act to wit: effecting public mischief. They have subsequently been released on bail.

In regard to part (b) of the question, Police have referred the case to the Director of Public Prosecutions on 25 June 2015 and the decision to lodge formal charges against the suspects will be taken in the light of the advice that will be tendered by his Office.

MUNICIPAL & DISTRICT COUNCILS - LEGAL ADVISERS – FEES PAID

(No. B/505) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien) asked the Minister of Local Government whether, in regard to the legal advisers whose services were retained over the period October 2005 to December 2015 in the Municipal and District Councils, he will, for the benefit of the House, obtain from each Council, a list thereof, indicating in each case, the total amount of money paid out thereto –

- (a) as retainer fees, and
- (b) in respect of court cases.

Reply: The information requested by the hon. Member is being compiled and will be placed in the Library as soon as the exercise is completed.

CARGO HANDLING CORPORATION – PROMOTION EXERCISE

(No. B/506) Mr G. Lesjongard (Second Member for Savanne & Black River) asked the Minister of Labour, Industrial Relations, Employment and Training whether, in regard to the Cargo Handling Corporation Ltd., he will state if his Ministry has requested the Commission for Conciliation and Mediation to conduct an inquiry on –

- (a) the state of the industrial relations prevailing thereat, and
- (b) in relation to the alleged cases of discrimination against some of the employees thereof concerning their promotion and, if so, indicate where matters stand.

Reply: Following representations received at the level of my Ministry concerning the state of industrial relations prevailing at the Cargo Handling Corporation Ltd, I referred, on 18 May 2015, the matter to the Commission for Conciliation and Mediation under section 89(1) of the Employment Relations Act 2008 to enquire and report on -

- (a) the state of industrial relations at the Cargo Handling Corporation Ltd, and
- (b) whether the Cargo Handling Corporation Ltd has directly or indirectly discriminated against some of its employees by reason of their trade union membership or otherwise in -

- (i) awarding promotions;
- (ii) removing or granting assignments or additional duties or overtime, or
- (iii) in any other manner

I have been informed by the Commission for Conciliation and Mediation (CCM) that several meetings have already been held with the Management of the Corporation as well as with the different trade unions concerned. But, on 03 September 2015, the Port Louis Harbour & Docks Workers Union, the Maritime Transport and Ports Employees Union and the Stevedoring & Maritime Staff Employees Association officially informed the CCM of their wish to suspend their participation in the enquiry until further notice.

However, when convened for a meeting on 11 September 2015, the three above named trade unions have informed the Commission of their willingness to resume participation in the inquiry. The Commission will proceed with the inquiry and has scheduled other meetings with the different trade unions.

BELLE MARE TOURIST VILLAGE PROJECT - INQUIRY

(No. B/507) Mr G. Lesjongard (Second Member for Savanne & Black River) asked the Deputy Prime Minister, Minister of Tourism and External Communications whether, in regard to the Belle Mare Tourist Village Project, he will state if –

- (a) a feasibility study was carried out prior to the implementation thereof, indicating if it was part of the democratization process of the then Government;
- (b) the approval of the Central Procurement Board was sought and obtained therefor and, if not, why not, and
- (c) his Ministry proposes to put the village market thereof on sale.

Reply (The Minister of Finance and Economic Development): The Belle Mare Tourist Village Project was initiated in 2007 and no feasibility study was carried out prior to its implementation. Mr Ramakrishna Sithanen was then Minister of Finance and Economic Empowerment and responsible for the project.

From the very start, it was clear that the project was not viable and that it would entail a waste of public funds. In fact, the Belle Mare Tourist Village, which has cost Rs185 m., never became operational after completion of construction works in 2011. Since then, an

amount of Rs5.7 m. has been spent yearly for its upkeep and security as well as for lease of land.

Indeed, in its 2014 National Audit Report that has just been issued, the Director of Audit has made the following observations, and I quote –

“

- i. No feasibility study report for the Belle Mare Tourist Village was available at MOFED, though it was a major project;
- ii. The contract for the procurement of works was for Rs185 m. There was no approval of this major contract by the Central Procurement Board although the State-Owned Company (namely, State Property Development Company Ltd) designated as the Implementing Agency was listed as a Public Body under the Public Procurement Act, and
- iii. No documents were available at the Ministry regarding the procurement exercise for the main contractor, payment details, and managing the construction project. These included bids, contract, Handing over Certificate between the State Owned Company and Tourist Village Company Ltd and Final Accounts.”

In view of those adverse comments from the Director of Audit, I am referring the matter to the Ministry of Financial Services, Good Governance and Institutional Reforms for a full-scale enquiry.

Regarding part (c) of the question, a new Board of Directors of the Tourist Villages Co. Ltd has been constituted and the Board is examining various options on the way forward regarding the future of the Tourist Village.

PAILLES - WASTEWATER SEWERAGE NETWORK PROJECT

(No. B/508) Mr P. Armance (First Member for GRNW & Port Louis West) asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the WasteWater Sewerage Network Project in the region of Pailles, he will, for the benefit of the House, obtain from the Waste Water Management Authority, information as to where matters stand as to the implementation of Phases 1 and 2 thereof respectively, indicating if there has been any delay in the carrying out of the tender procedures in relation thereto and, if so, give details thereof and, if not, indicate the timeframe set for the implementation thereof.

(Withdrawn)

SPECIAL OLYMPIC WORLD SUMMER GAMES - ATHLETES - PERFORMANCE

(No. B/509) Mr P. Armance (First Member for GRNW & Port Louis West) asked the Minister of Youth and Sports whether, in regard to the Special Olympic World Summer Games which was held from 25 July to 02 August 2015, he will, for the benefit of the House, obtain information as to -

- (a) the number of athletes who represented Mauritius thereto, indicating their respective performances, and
- (b) if any provision has been made for a cash price for our Gold, Silver and Bronze Medals Athletes.

(Withdrawn)

NATReSA - DIRECTOR - APPOINTMENT

(No. B/510) Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière) asked the Minister of Health and Quality of Life whether, in regard to the prevention, treatment and rehabilitation of substance abusers, in particular, users of synthetic drugs, he will, for the benefit of the House, obtain from the NATReSA, information as to the -

- (a) actions taken in relation thereto since January 2015 to date, and
- (b) name of the present director thereof, indicating the date and terms and conditions of appointment thereof.

Reply: With regard to part (a), I am informed that since January 2015, NATReSA has been carrying out a series of activities targeting youth, students, workers, the family and the community at large. These activities have been in the form of talks, exhibitions, slide projections, group discussions and distribution of pamphlets in collaboration with several ministries and departments, private firms and NGOS.

With regard to part (b), the House may wish to note that, since 03 January 2015, there is no Director at the head of the organisation.

The terms and conditions of the appointment of a Director are as per PRB. We have not considered the appointment of a Director at this stage as we are conducting a full-scale review of NATReSA.

DIRECTOR OF AUDIT'S REPORT - PUBLIC FUNDS

(No. B/511) Mr V. Baloomoody (Third Member for GRNW & Port Louis West) asked the Minister of Financial Services, Good Governance and Institutional Reforms, Minister of Technology, Communication and Innovation whether, in regard to the wastage of public funds as being continuously reported in the Reports of the Director of Audit, he will state if consideration will be given for the introduction of a Fiscal Responsibility Bill, as a matter of priority.

Reply: In the Government Programme, we have pledged to bring a significant reduction in the misuse and wastage of public funds in all public institutions. We have also undertaken to give serious consideration to the findings and recommendations of the National Auditors.

Pursuant to these undertakings, a Steering Committee, under my chairmanship, has been set up to look into the adverse comments made in the Report of the Director of Audit on the Accounts of the Republic of Mauritius for the Financial Year 2014 with a view to ensuring that appropriate and timely remedial measures are taken to prevent wastage of public funds.

At the first meeting of the Steering Committee held on Monday 14 September 2015, I have already made it clear that Government will not tolerate any complacency or negligence in the management of public funds.

With a view to addressing, in a comprehensive manner the shortcomings highlighted by the National Audit Office and also to improving fiscal responsibility as well as the level of governance in public sector management, I propose to introduce into the National Assembly very shortly, a 'Good Governance and Integrity Reporting Bill', a 'Fraud Bill' and a 'Financial Crime Commission Bill'.

SCHOOLS – CLEANERS - SERVICES

(No. B/512) Mr V. Baloomoody (Third Member for GRNW & Port Louis West) asked the Minister of Education and Human Resources, Tertiary Education and Science Research whether, in regard to the five hundred workers employed through subcontractors or the Parent Teachers Association as cleaners in the public schools and earning a monthly salary of Rs1,500, she will state if Government is proposing to regularize the situation thereof and, if so, indicate where matters stand.

Reply: I am informed that the services of some 317 persons, most of whom were former employees of cleaning contractors, had been enlisted on an ad-hoc basis by school PTAs for cleaning of lavatories in schools.

The services of the above mentioned persons were enlisted through the PTAs and are paid by the PTAs of the schools. A monthly refund is effected by the Ministry to the PTAs. The allowances range from Rs1,800 to Rs3,400 monthly depending on the number of hours of work.

It should be noted that these workers are not employed per se on a full-fledged basis against established positions in the Ministry. For all intents and purposes, their services have been enlisted on a part-time and ad-hoc basis against payment of allowances on an hourly rate.

Appointment in respect of minor grades in the Civil Service is made under delegation of powers by the Public Service Commission after going through normal prescribed procedures.

Upon vacancies arising in minor grades, the Ministry normally obtains a list of registered persons from the Ministry of Labour, Industrial Relations, Employment and Training. Following interview procedures, prospective candidates meeting the required criteria (holding of Certificate of Primary Education and below the age of 48) for the post are considered for employment.

As highlighted earlier, the recruitment process involves strict compliance with procedures and PSC Regulations in force.

LES SALINES – COMPULSORY LAND ACQUISITION

(No. B/513) Mr V. Baloomoody (Third Member for GRNW & Port Louis West) asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the compulsory acquisition of lands situated at Reserves Road, Les Salines, in connection with the Harbour Bridge Project, he will state when the owners thereof will be compensated.

Reply: I am informed that, for the purposes of the Harbour Bridge Project, my Ministry has compulsorily acquired 39 plots of private land situate at Reserves Road, Les Salines. For easier understanding, I am tabling a list of these plots of land.

As at today, the situation regarding payment of compensation to the former landowners is as follows -

- (a) payment has already been effected to six former land owners and one case is currently being processed for payment;
- (b) agreement has been reached with ten former land owners for payment of compensation before a Notary Public;
- (c) nine land owners have not yet responded to the offer of compensation made to them;
- (d) two cases have been submitted to a Board of Assessment to determine the quantum of compensation payable and eight others are in the process of being referred to a Board of Assessment, and
- (e) three cases are under consideration by the Valuation Department to determine the quantum of compensation to be paid.

Once all the outstanding issues would have been cleared, my Ministry would effect the payment of compensation due to the remaining former landowners and, where applicable, with accrued interest.

APOLLO BRAMWELL HOSPITAL - FOREIGN MEDICAL PRACTITIONERS

(No. B/514) **Dr. Z. Joomaye (Second Member for Rivière des Anguilles & Souillac)** asked the Minister of Health and Quality of Life whether, in regard to the Apollo Bramwell Hospital, he will state the number of foreign medical practitioners employed thereat, indicating in each case, the basic salary and allowances drawn.

Reply (Minister of Finance and Economic Development (Mr S. Lutchmeenaraidoo): I am informed that the Apollo Bramwell Hospital employs on contractual basis 25 foreign medical practitioners in different specialised fields. According to legal advice obtained, it would not be appropriate to reveal the names and salary details of these foreign medical practitioners. However, the House may wish to note that the basic salaries and allowances paid to these practitioners in August 2015 were Rs10.5 m. and Rs0.5 m. respectively.

BEL OMBRE VILLAGE & CHAMOUNY - INFRASTRUCTURAL WORKS

(No. B/515) Mr E. Jhuboo (Third Member for Savanne & Black River) asked the Minister of Environment, Sustainable Development and Disaster and Beach Management whether, in regard to the construction of infrastructural works in the region of the Bel Ombre Village and in Chamouny following the last floods, he will state the -

- (a) start and completion dates thereof, and
- (b) contract value thereof.

Reply: With regard to part (a), concerning the construction of infrastructural works in the region of Bel Ombre Village, consultations have been held with various stakeholders of the region to find solutions to the problem of flooding in Bel Ombre.

Protective measures have been designed by my Ministry to desilt the river St. Martin to increase water flow and construction of a rock bund on the upper side of the riverbank to ensure protection and stability of the river.

Bids will be launched shortly and works are expected to start within a month following the award of the contract. The contract will be of four months' duration.

Furthermore, I am given to understand that *Compagnie Sucrière de Bel Ombre, Les Villas de Bel Ombre Ltée* and Heritage Golf Ltd, through their consultancy firm Arup Sigma Ltd, submitted a report on Flood Mitigation measures to minimise the risk of potential floods.

As directed by me during a site visit effected, the consultants are contemplating a holistic approach of the whole catchment area in consultation with my Ministry. They will, according to their financial and other resources, implement remedial measures in a phased manner within their respective sites.

The report also covers the roundabout, which is subject to flooding, the St Martin bridge and the restoration of the wetland and drain network from the incoming upstream water courses.

As far as the village of Chamouny is concerned, there has been no report of flooding so far.

With regard to part (b) of the question, the works are estimated at Rs10 m.

LA CAMBUSE – HOTEL DEVELOPMENT

(No. B/516) Mr D. Ramful (Third Member for Mahebourg & PlaineMagnien) asked the Minister of Environment, Sustainable Development and Disaster and Beach

Management whether, in regard to the proposed hotel development by Le Chaland Resort Hotel, at La Cambuse and in the light of the various complaints being made by the inhabitants, the *forces vives* and the environmentalists of the region, he will state if a study has been carried out to assess the impact of the proposed development on the marine park of Blue Bay and on the other marine habitats in the area.

(Withdrawn)

PRIMARY SCHOOLS – PRIVATE TUITION - ABOLITION

(No. B/517) Mr D. Ramful (Third Member for Mahebourg & Plaine Magnien) asked the Minister of Education and Human Resources, Tertiary Education and Scientific Research whether, in regard to the proposed implementation of the Nine Year Continuous Basic Education Project, she will state the policy being envisaged by her Ministry concerning the abolition of private tuition at primary school level.

(Withdrawn)

PLASTIC BAGS - BAN

(No. B/518) Mr J. Leopold (Second Member for Rodrigues) asked the Minister of Environment, Sustainable Development and Disaster and Beach Management whether, in regard to the use of plastic bags in mainland Mauritius, he will state where matters stand as to the proposed introduction of regulations for the ban thereof.

Reply: The Environment Protection (Banning of plastic bags) Regulations 2015, with regard to the use of plastic bags in the mainland Mauritius, have already been promulgated on 06 August 2015, and will be effective as from 01 January 2016.

The Regulations shall not apply to the island of Rodrigues. However, consequential amendment to the Rodrigues Regional Assembly (Prohibition of use of Plastic Bags) Regulations 2014 will have to be brought in view of the reference made to the Environment Protection (Plastic Carry Bags) Regulations, 2004. To this effect, My Ministry has already issued a letter to the Rodrigues Regional Assembly on 19 August 2015 for necessary action.