



SEVENTH NATIONAL ASSEMBLY

PARLIAMENTARY

DEBATES

(HANSARD)

(UNREVISED)

FIRST SESSION

TUESDAY 30 JUNE 2020

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Hon. Pravind Kumar Jugnauth	Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister for Rodrigues, Outer Islands and Territorial Integrity
Hon. Louis Steven Obeegadoo	Deputy Prime Minister, Minister of Housing and Land Use Planning, Minister of Tourism
Hon. Mrs Leela Devi Dookun-Luchoomun, GCSK	Vice-Prime Minister, Minister of Education, Tertiary Education, Science and Technology
Dr. the Hon. Mohammad Anwar Husnoo	Vice-Prime Minister, Minister of Local Government and Disaster Risk Management
Hon. Alan Ganoo	Minister of Land Transport and Light Rail
Dr. the Hon. Renganaden Padayachy	Minister of Finance, Economic Planning and Development
Hon. Nandcoomar Bodha, GCSK	Minister of Foreign Affairs, Regional Integration and International Trade
Hon. Mrs Fazila Jeewa-Daureeawoo, GCSK	Minister of Social Integration, Social Security and National Solidarity
Hon. Soomilduth Bholah	Minister of Industrial Development, SMEs and Cooperatives
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Hon. Mahen Kumar Seeruttun	Minister of Financial Services and Good Governance
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Dr. the Hon. Kailesh Kumar Singh Jagutpal	Minister of Health and Wellness
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Hon. Avinash Teeluck	Minister of Arts and Cultural Heritage
Hon. Teeruthraj Hurdoyal	Minister of Public Service, Administrative and Institutional Reforms

PRINCIPAL OFFICERS AND OFFICIALS

Mr Speaker	Hon. Sooroojdev Phokeer, GOSK
Deputy Speaker	Hon. Mohammud Zahid Nazurally
Deputy Chairperson of Committees	Hon. Sanjit Kumar Nuckcheddy
Clerk of the National Assembly	Lotun, Mrs Bibi Safeena
Deputy Clerk	Ramchurn, Ms Urmeelah Devi
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Clerk Assistant	Seetul, Ms Darshinee
Hansard Editor	Jankee, Mrs Chitra
Serjeant-at-Arms	Pannoo, Mr Vinod

MAURITIUS

Seventh National Assembly

FIRST SESSION

Debate No. 23 of 2020

Sitting of Tuesday 30 June 2020

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

The National Anthem was played

(Mr Speaker in the Chair)

PAPERS LAID

The Prime Minister: Mr Speaker, Sir, the Papers have been laid on the Table.

A. Prime Minister's Office, Ministry of Defence, Home Affairs and External Communications, Ministry for Rodrigues, Outer Islands and Territorial Integrity

Certificate of Urgency in respect of the Supplementary Appropriation (2017-2018) (No. 2) Bill (No. VI of 2020). (In Original)

B. Ministry of Housing and Land Use Planning, Ministry of Tourism

(a) The Annual Reports of the Tourism Authority for the period 2011 to 2014. (In Original)

(b) The Financial Statements of the Tourism Authority for the 18-month period ended 30 June 2017. (In Original)

(c) The Financial Statements of the Tourism Employees Welfare Fund for the year ended 31 December 2013, 2014 and 2015. (In Original)

(d) The Financial Statements of the Tourism Employees Welfare Fund for the 18-month period ended 30 June 2017. (In Original)

(e) The Financial Statements of the Tourism Employees Welfare Fund for the year ended 30 June 2018. (In Original)

C. Ministry of Education, Tertiary Education, Science and Technology

The Annual Report of the Private Secondary Education Authority for the period January 2016 to June 2017.

D. Ministry of Land Transport and Light Rail

The Motorways and Main Roads (Amendment) Regulations 2020. (Government Notice No. 134 of 2020)

E. Ministry of Finance, Economic Planning and Development

(a) Estimates of Supplementary Expenditure (2017-2018) (No. 2) of 2020.

- (b) The Performance Audit Report on Managing Arrears of Revenue. (In Original)
- (c) The Annual Report of the Accountant General and the Accounts of the Government of the Republic of Mauritius for the Financial Year ended 30 June 2019. (In Original)
- (d) The Income Tax (Amendment No. 2) Regulations 2020. (Government Notice No. 136 of 2020)

F. Ministry of Industrial Development, SMEs and Cooperatives

The Financial Statements of the Co-operative Development Fund for the year ended 30 June 2019. (In Original)

G. Ministry of Commerce and Consumer Protection

The Rodrigues Consumer Protection (Control of Price of Taxable and Non-taxable Goods) (Amendment No. 15) Regulations 2020 (Government Notice No. 135 of 2020).

Ministry of Youth Empowerment, Sports and Recreation

The Annual Reports of the National Youth Council for period 2000 to 2014. (In Original)

H. Ministry of Health and Wellness

- (a) The Financial Statements of the Trust Fund for Specialized Medical Care for the 18-month period ended 30 June 2017.
- (b) The Annual Report of the Trust Fund for Specialized Medical Care for the year ended 30 June 2018.
- (c) The COVID-19 (Horse Race Meeting at Champ de Mars) Regulations 2020. (Government Notice No. 132 of 2020)
- (d) The Quarantine (COVID-19) (Amendment) Regulations 2020. (Government Notice No. 133 of 2020)

ORAL ANSWERS TO QUESTIONS**ST LOUIS POWER PLANT REDEVELOPMENT PROJECT – TENDER –
ALLEGED CORRUPT & FRAUDULENT PRACTICES**

The Leader of the Opposition (Dr. A. Boolell) (*by Private Notice*) asked the Prime Minister, Minister of Defence, Home Affairs and External Communications and Minister for Rodrigues, Outer Islands and Territorial Integrity whether, in regard to the alleged corrupt and fraudulent practices unfolded by the African Development Bank concerning the tender for the St Louis Power Plant Redevelopment Project, he will state the –

- (a) dates on which he asked for and obtained the summary of the investigation report of the African Development Bank, and
- (b) identities of the intermediaries to whom monies were allegedly paid out according to the said report, indicating the –
 - (i) specific amounts allegedly paid, and
 - (ii) measures taken in relation thereto between 08 and 25 June 2020, giving the chronology thereof.

The Prime Minister: Mr Speaker, Sir, as I stated in my reply to the Private Notice Question on 11 June 2020, I received a copy of a Press Release from the African Development Bank to the effect that Burmeister & Wain Scandinavian Company (BWSC) had been debarred for a period of 21 months pursuant to a settlement agreement between the Bank and that company, the reason being that the company had, according to the Bank, engaged “in sanctionable practices in a power generation project financed by the Bank in Mauritius”.

The Press Release stated that in 2014 and 2015, BWSC participated in tenders for the redevelopment of the Saint Louis power plant in Mauritius, a project funded by the Bank. It further stated that an investigation conducted by the Bank’s Office of Integrity and Anti-Corruption had concluded that it is more likely than not that the company engaged in fraudulent and corrupt practices in the context of this project.

Mr Speaker, Sir, I further informed the House that on 09 June 2020, the Ministry of Finance, Economic Planning and Development had requested a copy of the report of the investigation. On 10 June 2020, the Bank replied that in accordance with its guidelines and policies, investigation reports compiled by its Office of Integrity and Anti-Corruption could not be shared outside of a referral process to law enforcement authorities.

On the same day, the Attorney General personally wrote to the Country Manager for Southern Africa Region of the Bank to request a copy of the report. On 11 June 2020, the Country Manager replied that she had referred the request to the Director of the Office of Integrity and Anti-Corruption of the Bank. Between 12 and 15 June 2020, the Attorney General exchanged several correspondences with the Director of the Office of Integrity and Anti-Corruption of the Bank on the same issue.

On 15 June 2020, the Director of Integrity and Anti-Corruption Office of the Bank wrote to the Chief Executive Officer of BWSC and requested the latter to, I quote, “fully cooperate with and assist in good faith the ICAC and the Attorney General’s Office of the Republic of Mauritius.”

Mr Speaker, Sir, I wish to inform the House that on 14 June 2020, we concurrently requested the Executive Director for our Constituency in the African Development Bank to express to the President our deep concern on the matter and the prejudice that this Press announcement is causing to the country. In addition, we requested that the President be informed that Government wishes to take immediate action to maintain the integrity of our jurisdiction.

On 18 June 2020, the President of the Bank informed us that he had directed the Office of Integrity and Anti-Corruption responsible for the investigation into allegations of misconduct committed in respect of this project financed by the Bank, to ensure that the required information as appropriate is made available to us in these unusual circumstances.

On 19 June 2020, a further request was made to the Director of the Integrity and Anti-Corruption Department of the African Development Bank for the submission of a copy of the investigation report to allow Government to respond promptly on the matter and take appropriate measures without any delay.

The Bank submitted a summary of the investigation report, which I received on 23 June 2020, clearly specifying that such report contains very sensitive materials and is strictly confidential. In addition, it was stated that the report is based on an extensive evaluation of the BWSC report.

In respect to part (b) of the Question, on 29 June 2020, we requested permission from the Bank to quote the findings of the summary of the investigation report in the National Assembly and, on the same day, the Bank replied that the report is strictly confidential and reiterated its previous qualification that it is not allowed to quote any part of the report.

As I have already stated, I cannot reveal any details, including the identities of the intermediaries to whom monies were allegedly paid out and the specific amounts thereof.

In regard to part (b)(ii) of the Question, the following actions have been taken -

- (i) the CEB referred the matter to ICAC on 09 June 2020;
- (ii) the Acting General Manager of the CEB was interdicted on 12 June 2020;
- (iii) the Board of the CEB was revoked on 13 June 2020 and reconstituted on 14 June 2020;
- (iv) on 25 June 2020, my Office referred the summary of the investigation report to the ICAC, pursuant to the provisions of the Prevention of Corruption Act;
- (v) the Deputy Prime Minister was invited to step down temporarily pending the conclusion of the enquiry;
- (vi) for the reasons which the Deputy Prime Minister has already explained, he refused to step down;
- (vii) the Deputy Prime Minister was consequently revoked on 25 June 2020.

Mr Speaker, Sir, I wish to reiterate my commitment and the commitment of this Government to shed light on this case and, to that effect, every possible avenue will be explored.

Good governance and integrity indeed constitute the foundation of a clean and ethical society. Let me restate in the most emphatic manner our unequivocal subscription to the principles of discipline, transparency, accountability and exemplary governance in the conduct of the business of Government.

We remain steadfast in our commitment to intensify our fight against fraud and corruption with zero tolerance of corrupt practices. We will, therefore, leave no stone unturned to get to the bottom of this case.

Dr. Boolell: I am glad that the Prime Minister will leave no stone unturned to get to the bottom of this case. The Prime Minister is playing on words. Can I ask him not to hide behind stark opacity, which Government has been doing all along, and to come clean, with clean hands on this issue and to disclose the substance of this document? Because he has already done so to some extent. Is he aware of this?

The Prime Minister: Mr Speaker, Sir, first of all, this is not a matter for me to play with. It is a very serious matter, and that is why I have taken all necessary steps to communicate with the African Development Bank, with the Office of Integrity and Anti-

Corruption in order to get, at least, details of this scandal. I must say I must thank the African Development Bank for having at least communicated to us a summary of their anti-corruption report, and they have expressly stated that it is for personal and confidential use. We have written to the ADB because I could see things coming. We have requested specifically that in case there are questions in the National Assembly, I am seeking permission to be able to provide details and information to the National Assembly. The response that I had was, unfortunately - I must say unfortunately - that it is strictly confidential. And, therefore, I am not playing with it, yes I am not - and then you say 'come clean'. Look who is saying 'come clean'!

(Interruptions)

You are telling me to come clean?

(Interruptions)

You are telling me to come clean?

(Interruptions)

Yes! Look on your side!

(Interruptions)

Look on your side before you tell me to come clean!

(Interruptions)

Mr Speaker: Order, please!

The Prime Minister: So, I am coming clean.

(Interruptions)

I am coming clean...

(Interruptions)

...and I show respect!

(Interruptions)

Mr Speaker: Order, Leader of the Opposition!

The Prime Minister: Let me answer! You asked a question. Did I interrupt you?

(Interruptions)

Mr Speaker, Sir, I have to show respect to international institutions when they put it as a condition that the summary is strictly confidential; that it cannot be rendered public; that it cannot be communicated even to the National Assembly. Of course, I have to abide, and that is what I am doing.

Dr. Boolell: The Prime Minister, as I say, is game for a laugh...

(Interruptions)

Mr Speaker: Order, please.

Dr. Boolell: The Prime Minister is game for a laugh and the country knows. Is he aware that the country is fully aware that he is the one who breached the serious clause of confidentiality by dropping the names of specific persons in the document? And he went as far as to say as to the amount of money that was given in respect of bribes. Who said that Rs250 m. were given in form of bribe to intermediaries? So, you have disclosed the essence of this document and, if you are honest, you should render this document public; otherwise you are running from your own responsibility.

(Interruptions)

Mr Speaker: Quiet here!

The Prime Minister: Mr Speaker, Sir, can the hon. Leader of the Opposition say when did I make names of people public, first of all, and amount of money also? Can he say that?

(Interruptions)

Dr. Boolell: I will say...

The Prime Minister: You are just making allegations!

Dr. Boolell: What allegation? It is not allegation. This was said to the Deputy Prime Minister. Is he aware that the Deputy Prime Minister said it in public? Not only did he drop the name of a Member of this House, but he stated very clearly that Rs250 m. of bribe were given to intermediaries. And it is unbecoming of a Prime Minister to disclose sensitive information to a gentleman who is an indictee in this. Hon. Collendavelloo is an indictee in this case. By disclosing sensitive information to hon. Collendavelloo, he has given him unfair advantage.

The Prime Minister: You are mentioning hon. Collendavelloo. Why do you not mention whose other names I have supposedly made public?

(Interruptions)

Why?

Dr. Boolell: I challenge you to render this document public!

(Interruptions)

Mr Speaker: Order! Order, please!

The Prime Minister: Whom do you want to cover-up?

(Interruptions)

Dr. Boolell: You are the one who is covering up!

(Interruptions)

You are the one who is covering up!

Mr Speaker: Order, please!

(Interruptions)

Dr. Boolell: You are the one! You are guilty of impropriety!

(Interruptions)

Mr Speaker: Order, please!

Dr. Boolell: Since the Prime Minister has asked who is being covered up, can I ask him, when he was Minister of Finance and Prime Minister, did he not have representatives on the Board of CEB? Yes or no? And did they not report the matter to the Financial Secretary or to the Permanent Secretary?

The Prime Minister: Mr Speaker, Sir, I can...

Dr. Boolell: In October 2019.

The Prime Minister: Mr Speaker, Sir, I can categorically say that I have never been made aware of this scandal. Never!

(Interruptions)

An hon. Member: ...to pa koner!

The Prime Minister: Do not say anything!

Dr. Boolell: Then, what you are saying, that there are guidelines for officers of public bodies, are you saying that these officers have absconded from their responsibilities by not disclosing what was said in the CEB Board when everybody knew that corrupt practices were told to the Acting General Manager since February 2019? And you mean all that time the message has not been conveyed either to you or to the then Deputy Prime Minister?

The Prime Minister: Well, now I know! Not everybody knew, but some people knew, and we know who knew! But, Mr Speaker, Sir, I rely on this one, which is the report. This is the finding from an Office of Integrity and Anti-Corruption which is well renowned and which is being led by a person of great integrity, of great respect internationally. If they have come to such finding, I do rely on their finding. The hon. Leader of the Opposition is saying that I communicated it to the then Deputy Prime Minister. But, of course! He was my Deputy Prime Minister! I am asking him to step down, and I cannot just tell him: ‘Oh, you know, just step down’.

(Interruptions)

I needed to put it to him...

(Interruptions)

Mr Speaker: Leader of the Opposition!

The Prime Minister: I needed to put it to him about certain information with regard to this report to justify my request to him to step down. So, I do not see any problem in that. The way you are talking is as if I should have kept quiet. I should have kept quiet then and keep the report for me, only for my own knowledge!

Dr. Boolell: The Prime Minister *a fait un aveu de taille* and he has just stated very clearly that he has breached serious clause of confidentiality by giving sensitive information to his former Deputy Prime Minister...

(Interruptions)

Mr Speaker: Order, please! Order!

Dr. Boolell: This is a cover-up, and then...

(Interruptions)

Can I ask the Prime Minister whether he is aware that the former Deputy Prime Minister can be an indictee and is going to be convened by ICAC, which means that he has already been given sensitive information? This is what the Prime Minister has done!

The Prime Minister: Mr Speaker, Sir, I asked my Deputy Prime Minister to step down on the basis...

(Interruptions)

Ki fer to exciter, hein?

(Interruptions)

Mr Speaker: Leader of the Opposition, you asked a very good question!

The Prime Minister: Yes, it is a very good question. Thank you for that. Thank you for the PNQ itself! Mr Speaker, Sir, I asked my Deputy Prime Minister to step down. I need to base myself, and he needs to know, on what ground I am asking him to step down. I revoked my Deputy Prime Minister, and the Leader of the Opposition has the cheek to say to the people of Mauritius that I am covering up. *C'est le monde à l'envers!* But, so far, he has not even mentioned the name of the other Member of the National Assembly whose name is in this report.

(Interruptions)

Mr Speaker: Order, please!

The Prime Minister: That is...

(Interruptions)

Mr Speaker, Sir, I call that...

(Interruptions)

Mr Speaker: Order, please! Order!

(Interruptions)

Order on both sides of the House!

(Interruptions)

Order! Order, please! Order on both sides of the House! Order, please! Order! You finish with the reply.

The Prime Minister: He is accusing me of cover-up whereas this is a clear case where he...

(Interruptions)

Mr Speaker: Hon. Bhagwan!

The Prime Minister: This is a clear case where he, as Leader of the Opposition, is trying to cover up another Member of the Opposition!

(Interruptions)

Dr. Boolell: Give the report; submit the report!

(Interruptions)

Mr Speaker: Order!

Mr Bhagwan: *Menteur!*

Mr Speaker: Hon. Bhagwan, what is...

(Interruptions)

The Prime Minister: *Menteur ! Sa menteur Sa ?*

Dr. Boolell: Mr....

(Interruptions)

The Prime Minister: *Sa menteur sa?*

(Interruptions)

Dr. Boolell: Mr Speaker, Sir, let me...

(Interruptions)

The Prime Minister: Office of Integrity *menteur!*

(Interruptions)

Mr Speaker: Order, please!

(Interruptions)

The Prime Minister: *Aller, to koner ki to finn fer!*

(Interruptions)

Mr Speaker: Order, please!

The Prime Minister: *To tasser la!*

Mr Bérenger: *Lâche!*

Mr Speaker: Hon. Bérenger!

Mr Bérenger: What?

Mr Speaker: Can you withdraw that word 'lâche'?

Mr Bérenger: No.

Mr Speaker: So, you have to withdraw yourself from the Chamber. I suspend...

(Interruptions)

I suspend.

At 11.54 a.m., the sitting was suspended.

At this stage, Members of the Opposition left the Chamber.

On resuming at 12.01 p.m. with Mr Speaker in the Chair.

Mr Speaker: Please be seated! Clerk, move on. No PNQ! Questions addressed to the hon. Prime Minister! PQ Nos. B/145 and B/154 have been withdrawn. So, hon. Ameer Meea is not here. Questions addressed to hon. Ministers! I am informed that PQs B/182, B/196, B/197, B/198, B/204, B/205 have been withdrawn. Hon. Ms Foo Kune not being here, PQ B/183! Hon. Léopold!

COVID-19 PANDEMIC - KAWASAKI DISEASE

(No. B/183) Mr J. Léopold (Second Member for Rodrigues) asked the Minister of Health and Wellness whether, in regard to the Kawasaki disease, he will state if there is any reported case thereof amongst the children in the Republic of Mauritius amid the COVID-19 Pandemic.

Dr. Jagutpal: Mr Speaker, Sir, I am informed by the consultant in charge paediatrics that there has been no case of Kawasaki disease reported at our hospitals among children in the Republic of Mauritius during COVID-19 Pandemic.

However, there was one case of confirmed Kawasaki disease not COVID related at Wellkin hospital. A two-year-old child was admitted at the end of March 2020 and was discharged on 01 April after being treated.

Mr Speaker: No conversation, please! Carry on. Supplementary?

Mr Léopold: Yes. Can the Minister inform the House whether any children have been exposed to COVID-19 disease in the Republic of Mauritius?

Dr. Jagutpal: Mr Speaker, Sir, at present, no patient suffering from leukaemia has been exposed to COVID-19 disease.

Mr Speaker: Next question, hon. Léopold!

Mr Léopold: B/184!

RECOVERY CURRICULUM - INTRODUCTION

(No. B/184) Mr J. Léopold (Second Member for Rodrigues) asked the Vice-Prime Minister, Minister of Education, Tertiary Education, Science and Technology whether, in regard to the schools, she will state if consideration will be given for the introduction of a recovery curriculum prior to the reopening thereof.

The Vice-Prime Minister, Minister of Education, Tertiary Education, Science and Technology (Mrs L. D. Dookun-Luchoomun): Mr Speaker, Sir, for the academic year 2020, learning in schools had taken place in part of the first semester from Monday 13 January to Wednesday 18 March 2020.

Since then, due to the lockdown and sanitary curfew, schools have remained close. My Ministry has taken a series of measures to ensure the continuity of education during this period of school closure through the conduct of distance education and online learning programmes including TV broadcast lessons to students of primary and secondary subsectors.

Mr Speaker, Sir, to make up for the loss of instruction of time and date due to the confinement, my Ministry has reviewed the school calendar in order to provide adequate time and space for learners to reconnect with schooling and cover their programmes of study. This is crucial since it is known that knowledge acquisition can best be assessed through face to face interaction.

Mr Speaker, Sir, on resumption, schools will work out catch-up and remedial programmes for students requiring additional support. At Primary School level, this will be done through the Early Support Programme.

Moreover, while keeping in view the specificity and reality at school level, the programme of study would be adjusted to facilitate the reengagement of learners. This will enhance the self-confidence, allowing positive development.

Mr Speaker, Sir, we will reprioritise the curriculum and the course of study while maintaining a focused learner-cantered pedagogical approach. In this regard, the MIE, the MES and other stakeholders are holding consultations.

My Ministry will ensure that all students get sufficient time to complete their course of study so that meaningful learning takes place.

Mr Speaker: Hon. Léopold!

Mr Léopold: Has your Ministry made an assessment to see how many students have been able to follow courses while they were in confinement?

Mrs Dookun-Luchoomun: Mr Speaker, Sir, the very fact that we were under confinement period, we know that most of the students have been able to follow the courses online and on TV, but yet we are aware that there are a number of students who have not been able to avail this facility and this is why the school calendar has been readjusted in such a way as to allow ample time for the completion of the school programme.

Mr Speaker: Hon. Léopold!

PRIMARY & PRE-PRIMARY STUDENTS – CONTRACT VANS – SAFETY MEASURES

(No. B/185) **Mr J. B. Léopold (Second Member for Rodrigues)** asked the Minister of Land Transport and Light Rail whether, in regard to contract vans for the transportation of primary and pre-primary students, he will state the actions being taken by his Ministry to ensure adequacy of safety measures and provision thereof prior to the reopening of the schools in Mauritius.

Mr Ganoo: Mr Speaker, Sir, I am informed by the National Land Transport Authority that 1,408 buses are licensed to operate as contract buses to convey primary and pre-primary students attending schools all over the island.

In accordance with the provision under the Road Traffic (Control of Contract Car and Contract Bus Operations) Regulations 2016, these contract buses are required to employ an attendant, usually referred to as a helper, whenever the contract bus is conveying school

children. The responsibility of the attendant is to ensure the safe embarkation and alighting of the children from the bus whilst also ensuring their safety throughout the travel.

Mr Speaker, Sir, following the outbreak of COVID-19 entailing legislative amendments in respect of sanitary measures and physical distancing protocol, the NLTA invited applications from owners of contract buses for the temporary variation of their license to enable them to convey school children. Holders of private buses were also given the opportunity to submit application for the conveyance of school children.

In view of the lifting of the physical distancing requirement on board public transport, effective as from 15 June 2020, the NLTA is holding consultations with the Ministry of Education, Tertiary Education, Science and Technology and will take such decisions as may be required in relation to the licensing of these vehicles.

In view of the resumption of pre-primary schools effective as from 22 June and the reopening of secondary and tertiary education as from 01 July, owners of school buses are being called upon to put in place the following sanitary measures –

- Compulsory wearing of protective face masks by the driver, attendant and school children is compulsory;
- Regular cleaning and disinfection of all vehicles, and
- Provision of hand sanitizers for use by the driver, helper and students.

Mr Speaker, Sir, I am informed that the Ministry of Education, in collaboration with the Ministry of Health and Wellness, is making arrangement for COVID-19 tests to be conducted on the drivers and helpers.

I wish to reassure the House that the NLTA is being requested to maintain enforcement through regular crackdown exercises to ensure that all necessary sanitary measures are being adhered to in all public transport, including contract buses licence for the transportation of pre-primary and primary students.

Mr Speaker: Hon. Léopold!

Mr Léopold: Can the hon. Minister inform the House how his Ministry will be able to make sure that all those precautions that he has said will be maintained everyday and how his Ministry is going to assess that?

Mr Ganoo: As I said, Mr Speaker, Sir, the Ministry has requested the NLTA to deploy as many personnel and staff through regular crack-down exercises to ensure that these sanitary measures, I just mentioned, are being respected.

Mr Speaker: Hon. Léopold!

***ENTREPRENEURIAT JEUNESSE COURSES – PARTICIPANTS &
DURATION***

(No. B/186) Mr J. B. Léopold (Second Member for Rodrigues) asked the Minister of Youth Empowerment, Sports and Recreation whether, in regard to the *entrepreneuriat jeunesse* courses, he will state when same started, indicating the

- (a) number of participants thereto, and
- (b) duration thereof.

Mr Toussaint: Mr Speaker, Sir, in the context of the *Programme de Promotion de l'Entreprenariat des Jeunes* of the *Conférence des Ministres de la Jeunesse et des Sports de la Francophonie (Confejes)*, my Ministry organises every year a training course on entrepreneurship for young people aged 18 to 35 years old. At the end of the course, the participants are encouraged to submit a business plan with a view to setting up their own enterprises. The ten best business plans are then submitted to *Confejes* which, after a selection exercise, allocates start-up funds to the most promising entrepreneurs for their enterprise.

Mr Speaker, Sir, due to COVID-19 pandemic, the Youth Entrepreneurship course is being held this year online. 419 young people have registered for the training out of which 250 are attending the course regularly. The duration of the training is eight weeks, with two sessions per week on Wednesdays and Saturdays. The course started on 13 June 2020 and is expected to end on 01 August, 2020.

Mr Speaker: Hon. Léopold!

Mr Léopold: Can the hon. Minister inform the House whether this programme is extended to Rodrigues, and if yes, how many Rodriguans are involved in such a programme?

Mr Toussaint: Mr Speaker, Sir, Rodrigues held its annual courses and the courses have started in May 2020 with 100 participants. The course ended this week and 85 participants have fully completed the course. It is also important to note that the youngsters from Rodrigues also submit their business plan so that we can submit them afterwards to

Confejes and most of the time, the business plans from Rodrigues get a lot of praise because they are of very good quality.

Mr Speaker: hon. Léopold!

Mr Léopold: What would be the outcome of such a programme in the long term to the youngsters of the Republic of Mauritius?

Mr Toussaint: Comme je l'ai dit dans ma réponse initiale, M. le président, le but c'est d'encourager la jeunesse de la République à se tourner vers les entreprises. Bien souvent, grâce à la Confejes, ils reçoivent une certaine somme d'argent pour démarrer leur business. Ce que nous faisons aussi très souvent c'est que nous organisons des *fairs* de sorte que le public puisse connaître ces jeunes entrepreneurs et les différents produits qu'ils proposent. Donc, c'est dans le but de promouvoir l'entrepreneuriat parmi les jeunes et nous continuons de les accompagner même s'ils ont terminé leur cours pendant une certaine période jusqu'à ce qu'ils se stabilisent.

Mr Speaker: Hon. Dhunoo!

Mr Dhunoo: Can the hon. Minister, with regard to the courses, inform the House if his Ministry is envisaging doing a second batch on a regional basis?

Mr Toussaint: Nous avons, malheureusement, un budget très serré qui nous vient de la Confejes et qui ne nous permet pas de faire plus qu'une formation par année. Mais c'est une très bonne suggestion, et si à l'avenir nous arrivons à trouver les fonds nécessaires, *we can extend these courses to more youngsters on a regional basis.*

Mr Speaker: Hon. Ittoo!

DUKE OF EDINBURGH INTERNATIONAL AWARD – YOUTH PARTICIPATION

(No. B/203) **Mr A. Ittoo (Third Member for Vacoas & Floréal)** asked the Minister of Youth Empowerment, Sports and Recreation whether, in regard to the Duke of Edinburgh International Award, he will state the number of youths who participated in the programme thereof in the -

- (a) year 2019, and
- (b) months of January to May 2020.

Mr Toussaint: Mr Speaker, Sir, the Duke of Edinburgh International Award Programme is a Youth Development Programme for boys and girls between the age of 14 and 24 years old.

The programme aims at inculcating a strong sense of personal efficacy, responsibility as well as connectedness to community, well-being and natural solidarity. There are three levels, namely, the bronze, the silver and gold levels.

A participant will take a minimum of two years to complete the programme. The programme is presently offered at the level of youth centres, uniformed organisations, University of Mauritius and in most secondary schools.

In regard to part (a) of the question, I wish to inform the House that the total number of participants for 2019 stands at 11,297.

As regards part (b) of the question, there were 6,679 participants for period January to May 2020. 1,069 are the 6,679 were new entrants.

Mr Speaker: Question Time, no more question!

MOTION

SUSPENSION OF S.O. 10(2)

The Prime Minister: Mr Speaker, Sir, I 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.

(12.17 p.m.)

STATEMENT BY MINISTER

MR K. T. - MVA - REINTEGRATION

The Prime Minister: Mr Speaker, Sir, at Adjournment time on Tuesday 23 June 2020, the hon. Ms S. Anquetil, Fourth Member for Vacoas and Floréal, addressed a request to me to quash the decision of the management of the Mauritius Volleyball Association (MVA) to reintegrate Mr K. T., the Secretary General, in his post, despite the Court case pending against him and awaiting trial in Queensland, Australia, for alleged sexual harassment against a young Mauritian athlete.

In raising this matter, the hon. Member was labouring under the wrong impression that the Government had anything to do with the reintegration of the Secretary General, and I spontaneously replied that the MVA is autonomous, and the decisions it takes are, to my knowledge, not taken with the agreement of the Ministry of Youth Empowerment, Sports and Recreation.

However, I added that the matter raised by the hon. Member is also of concern to me, not only as a citizen but also as Prime Minister, and that I would be seeking all relevant information regarding this case which, it is emphasised, is awaiting trial.

Mr Speaker, Sir, my enquiry has brought out the following –

- (i) During the 2018 Commonwealth Games held from 04 to 15 April in Australia, Ms J. R., athlete, alleged that Mr K. T., Head of Mission of the Mauritian delegation, had behaved indecently towards her in that he had sexually harassed her. A Police statement was made, and following the enquiry, the matter is pending judgment in Queensland. As a consequence, Mr K. T. requested leave as Secretary General of the Mauritius Volleyball Association in order to prepare his defence and for rest purposes, request which was granted by the Managing Committee of the MVA;
- (ii) It was only through a Press article that the Ministry of Youth Empowerment, Sports and Recreation had learnt that Mr K. T. had resumed his office as Secretary General of the MVA;
- (iii) Consequently, on Monday 22 June 2020, the Ministry of Youth Empowerment, Sports and Recreation sent an email to the Mauritius Volleyball Association to enquire about the latest composition of its Managing Committee. The Ministry of Youth Empowerment, Sports and Recreation had also contacted Mr F. B., the president of the Mauritius Volleyball Association, on Tuesday 23 June 2020 to seek his views on the matter. The president was also requested to submit the composition of its Managing Committee the soonest possible;
- (iv) On Wednesday 24 June 2020, the Ministry of Youth Empowerment, Sports and Recreation received an updated list of the Managing Committee and it was noted therefrom that Mr K. T. was listed as holding the post of Secretary General at the Mauritius Volleyball Association;

- (v) The Ministry of Youth Empowerment, Sports and Recreation had subsequently been informed by the president of MVA that a meeting had been scheduled for Thursday 25 June 2020 at which Mr K.T's case would be considered, and the Ministry would be informed of the outcome of the meeting;
- (vi) The Ministry of Youth Empowerment, Sports and Recreation has brought out that, while the Federation is autonomous and independent, and that the principle of presumption of innocence is sacrosanct, the Ministry considers that it would be premature for the Federation to reinstate its Secretary General, and
- (vii) In a communiqué issued by the MVA, in the morning of Friday 26 June 2020, it was stated that its Managing Committee had met on Thursday 25 June 2020 and had unanimously accepted Mr K.T's request for further leave until further notice.

Mr Speaker, Sir, while rejecting unreservedly any insinuations and innuendoes from the MVA or from inside or outside the House concerning the controversial reintegration of Mr K. T. as Secretary General, let me, in no uncertain terms, state that Government does not interfere in the management and affairs of any autonomous Sports Federation.

Let me also state that autonomy does not, and cannot mean licence to flout the principles and practice of good governance, nor licence to abuse of rights and to ignore obligations and duties to ensure propriety and moral soundness in management and administration.

Mr Speaker, Sir, public opinion, as expressed in the media, has already decried and condemned the action of the Managing Committee of MVA to reinstate Mr K. T. despite the Court case pending against him. In fact, condemnation of such inconsiderate action on the part of the MVA is unanimous, and, without in any way interfering in the affairs of the MVA, I, both as a citizen and as Prime Minister, also condemn such an improper action that goes against all the canons of moral propriety.

Mr Speaker, Sir, I note with satisfaction that common sense and logic have prevailed and that the MVA has extended the leave of Mr K. T. until further notice.

Thank you.

PUBLIC BILLS*First Reading*

On motion made and seconded, the Supplementary Appropriation (2017-2018) (No. 2) Bill (No. VI of 2020) was read a first time.

Third Reading

On motion made and seconded, the Supplementary Appropriation (2019-2020) Bill (No. IV of 2020) was read a third time and passed.

Second Reading

**THE ANTI-MONEY LAUNDERING AND COMBATTING THE FINANCING OF
TERRORISM (MISCELLANEOUS PROVISIONS) BILL**

(NO. V OF 2020)

Order for Second Reading read.

The Minister of Financial Services and Good Governance (Mr M. Seeruttun): Mr Speaker, Sir, I move that the Anti-Money Laundering and Combatting the Financing of Terrorism (AML-CFT) (Miscellaneous Provisions) Bill (No. V of 2020) be read a second time.

Mr Speaker, Sir, let me, at the outset, say that it's unfortunate, at a time when we are debating such an important piece of legislation, the Members of the Opposition chose not to be in this House. Despite the fact that only one Member has been ordered out, the others should have stayed and at least participated in this debate. So again, we leave it to them and to their conscience as to the importance that they have with regard to such a piece of legislation that we are passing today.

Mr Speaker, Sir, I would wish at the very beginning of my intervention to state that this Bill need to be clarified on one important issue.

The hon. Members may be asking questions on the reason for Government to introduce two similar Bills, that is the Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bills within a period of around one year.

Mr Speaker, Sir, I am referring here to the Anti-Money Laundering and Combatting the Financing of Terrorism and Proliferation (Miscellaneous Provisions) Act of May 2019 and the Bill before the House today.

It will surely be recalled that the Financial Intelligence and Anti-Money Laundering Act, that is, the FIAMLA was enacted in 2002 with a view to creating the appropriate legal environment in the context of Anti-Money Laundering and Countering the Financing of Terrorism (the AML-CFT) regimes.

Mr Speaker, Sir, money laundering is not a new phenomenon. It became an area of particular interest in the late 1980s in response to the growing concern of the global drug problem.

The FATF was set up in July 1989 by the Group of Seven summit in Paris to examine and develop measures to combat Money Laundering.

The first set of international AML standards were issued in 1990: the 40 Recommendations on Money Laundering.

In 2001, the 8 Special Recommendations to deal with Terrorist Financing matters were issued following the 9/11 attacks on the US. The FATF Recommendations were revised in 1996, 2001, 2003 and most recently in 2012.

Subsequently, the AML/CFT Frameworks of countries are being regularly assessed through a Mutual Evaluation Exercise which is conducted by an authorised international body.

Mauritius underwent a first mutual evaluation in December 2000.

A Financial Sector Assessment mission of the IMF and World Bank conducted a detailed assessment of the Anti-Money Laundering and Combating the Financing of Terrorism regime of Mauritius.

The mission reviewed the relevant AML/CFT laws and regulations and supervisory and regulatory systems in place to deter money laundering and financing of terrorism with a view to identifying the strengths, vulnerabilities, and development needs in the financial sector and assisting the Mauritian authorities in designing appropriate responses.

Accordingly, the FIAMLA was introduced in 2002 to ensure that the appropriate legal framework is available to meet international standards with respect to AML/CFT.

Mr Speaker, Sir, this House will agree with me that AML/CFT is an issue, which is not static. It evolves with innovation, widespread accessibility and use of new technologies as delivery channels for financial goods, products and services and modernisation in general.

Just to cite an example, crypto currencies such as Bitcoins did not exist some ten to twelve years ago but are now extensively available on the market.

These new developments, Mr Speaker, Sir, require the setting up of an appropriate legal infrastructure to ensure that there are no loopholes in an AML/CFT regime.

Accordingly, there is a requirement for countries to constantly review their legal and other frameworks, to protect their jurisdictions from being used for illicit activities.

Mr Speaker, Sir, the drafting of a legislation on AML/CFT is indeed a complex exercise. My Ministry had the full support of the ESAAMLG when the Anti-Money Laundering and Combatting the Financing of Terrorism Act of May 2019 was being drafted.

The ESAAMLG even commended Mauritius for that piece of legislation and stated that it could serve as a model for the region.

Yet, at that time, the requirements for additional legal provisions, some of which are being proposed in this Bill, could not be addressed for lack of local expertise.

Mr Speaker, Sir, let me conclude this first part of my intervention by stating that with new developments in the Financial Services Sector, there may be need in the near future, to introduce further legislation to comply with upcoming standards, the more so that we know that the bar is being set higher and higher up each time to keep pace with market evolution.

Mr Speaker, Sir, I will now briefly mention the FATF Action Plan, which is directly linked to the Bill.

As the House is aware, at its February 2020 Plenary meeting, the Financial Action Task Force (FATF) decided that Mauritius should be monitored under the formal FATF International Cooperation Review Group (ICRG) process and accordingly placed Mauritius on its public document of “Jurisdictions under Increased Monitoring”.

At the same meeting, Mauritius made a high-level political commitment to work with the FATF and the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) to strengthen the effectiveness of its AML/CFT regime.

In its public statement of 21 February 2020, the FATF acknowledged that since the completion of its Mutual Evaluation Report in 2018, Mauritius has made progress on a number of its MER recommended actions to improve technical compliance and effectiveness, including amending the legal framework to require legal persons and legal arrangements to

disclose of beneficial ownership information and improving the process of identifying and confiscating proceeds of crimes.

Regrettably, the FATF listing has had far reaching consequences for Mauritius.

In fact, as a result of that listing, Mauritius has been listed on the EU list of High Risk Third countries in May 2020.

It is therefore imperative for Mauritius to expeditiously implement the FATF Action Plan to enable us to exit both lists at the earliest.

Mr Speaker, Sir, Mauritius is currently fully engaged in the implementation of the FATF Action Plan and has enlisted the support of technical assistance partners, namely the EU funded AML/CFT Global Facility, the German Development Agency (GIZ), the UK Government, the UNODC and the IMF.

As at date, ten Consultants have been engaged under the technical assistance programme and are working closely with the institutions involved in the implementation of the FATF Action Plan.

Immediately after receiving the FATF Action Plan, a detailed work plan was developed with the assistance of our consultants to identify all the measures that each and every institution will have to put in place to demonstrate an increase in the level of effectiveness of our AML/CFT systems and procedures.

The consultants have also advised on some legal obligations, which have taken on board in the Bill before the House today.

Mr Speaker, Sir, I would like to bring to the attention of the House that, effectiveness on which the FATF Action Plan is based, cannot be demonstrated without a framework for national coordination at policy level and cooperation at operational level. In this respect, Recommendation 2 of the FATF provides that, I quote –

“Countries should ensure that policy-makers, the Financial Intelligence Unit (FIU), law enforcement authorities, supervisors and other relevant competent authorities, at the policy-making and operational levels, have effective mechanisms in place which enable them to cooperate, and, where appropriate, coordinate and exchange information domestically with each other concerning the development and implementation of policies and activities to combat money laundering, terrorist financing and the financing of proliferation of weapons of mass destruction”.

To ensure the national coordination and cooperation, the National AML/CFT Committee has established a Core Group as well as a number of sub-committees to monitor the implementation of all the MER Recommendations and the FATF Action Plan.

At the highest level a Ministerial Committee chaired by the Prime Minister has been set up for monitoring the implementation of the FATF Action Plan.

Mr Speaker, Sir, with your permission, I would like to take some time to explain to the House the length and breadth of what the FATF is expecting from Mauritius in terms of effectiveness. I will use one of the Action Plan items as an example.

Mr Speaker Sir, one of the major areas where Mauritius has to demonstrate effectiveness is with respect to the AML/CFT risk based supervision of the designated non-financial businesses and professions, commonly referred to as DNFBPs.

The lack of supervision of the DNFBP sector was flagged to Mauritius in the 2008 Mutual Evaluation Report. In the 2018 MER, the DNFBP sector was still an issue of concern for the assessors.

The DNFBP sector comprises the following sub-sectors: the legal profession comprising attorneys, barristers, notaries and law firms, the accounting professionals, gambling, dealers in precious metals and stones and real estate agents.

Mr Speaker, Sir, in July 2018, the Finance (Miscellaneous Provisions) Act 2018 amended the FIAMLA to realign the AML/CFT obligations of banks, financial institutions and the DNFBPs.

Moreover, comprehensive regulations were issued under the FIAMLA in October 2018 to set out the mandatory FATF requirements under the FIAMLA. It is important to note that the regulations issued under the FIAMLA in 2003 did not apply to the DNFBP sector.

Thereafter, as I mentioned earlier in my intervention, in May 2019, Government enacted the Anti-Money Laundering and Combatting the Financing of Terrorism and Proliferation (Miscellaneous Provisions) Act to lay down the legal foundation to enable the designated AML/CFT regulatory bodies, namely the Attorney General's Office, the Financial Intelligence Unit, the Mauritius Institute of Professional Accountants, the Gambling Regulatory Authority and the Registrar of Companies to implement a risk based supervision framework for the DNFBPs.

In addition to the legal framework, the completion of the Money Laundering and Terrorism Financing National Risk Assessment was crucial. The National Risk Assessment was successfully completed and the report was published in August 2019.

Mr Speaker, Sir, the development of a risk based supervision framework is not a simple task but requires a progressive approach to supervision with activities progressing from education, to inspection and corrective actions.

The DNFBP regulatory bodies have come a long way in the development and implementation of the risk based supervision framework.

Despite the unprecedented challenges in the context of the COVID-19 pandemic, additional resources have been deployed to all the DNFBP regulatory bodies.

With the help of the consultants, outreach materials to support the education aspect have been developed, consultations with the industry have been undertaken, and outreach on the AML/CFT obligations is currently ongoing.

All the regulatory bodies are also gathering data on their respective sectors to develop a risk matrix, which will inform the level of intrusiveness of their supervisory actions.

Mr Speaker, Sir, assessing effectiveness of an AML/CFT system is based on a fundamentally different approach to technical compliance with the FATF Recommendations. It requires judgement as to whether the key objectives of an AML/CFT system, in line with the FATF standards, are being effectively met in practice.

All relevant institutions involved in the implementation of the FATF Action Plan are working relentlessly to complete their respective Action Plan items at the earliest.

Mr Speaker, Sir, Government has demonstrated a strong political will and determination to comply with the international standards to combat money laundering and the financing of terrorism and proliferation by bringing fundamental changes to the AML/CFT legislative framework. This is so since we took cognizance of the outcome of the 2018 MER, that is, the Mutual Evaluation Report and 2019 FURs, that is, Follow-Up Reports.

Indeed, I would like to highlight that under the FATF Action Plan, Mauritius does not have any technical deficiencies that must be addressed. We have since focused on the strengthening of the effectiveness of our AML/CFT Regime.

In fact, a follow-up progress report was submitted in March 2020 to FATF for review as at the next plenary session, which had to be cancelled due to the COVID-19 pandemic.

Mr Speaker, Sir, turning now to the Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill 2020, I must state that its purpose is twofold.

First, it will assist Mauritius to support the third application for technical compliance re-rating of the remaining five FATF Recommendations and second, it will support the implementation of the FATF Action Plan.

While there are no technical deficiencies that must be addressed under the FATF Action Plan, as I mentioned, yet, we have to consider that the level of technical compliance contributes to the assessment of effectiveness.

Mr Speaker, Sir, the Bill provides for amending 19 pieces of legislations.

With your permission, I would wish to comment on the rationale of the major amendments proposed:

Clause 2 of the Bill - Banking Act amended.

The Banking Act is being amended in section 64B by increasing the penalty for a breach of AML/CFT obligations from Rs1 m. to Rs10 m. with a view to aligning the penalty that may be imposed under the Banking Act with the penalty provided under Section 19 of the Financial Intelligence and Anti-Money Laundering Act.

Section 64C of the Banking Act currently provides that the Central Bank may from time to time conduct an examination of the operations and affairs of every financial institution or licensee. The proposed amendment to section 64C shall allow the Central Bank to undertake the examination of its licensees on a risk sensitive basis in line with the FATF standards. The proposed amendment will support the application for the re-rating of one of the remaining 5 FATF Recommendations.

Clause 3 of the Bill - Civil Status Act amended.

Sections 8C and 17B of the Civil Status Act are being amended to enable the Bank of Mauritius, for the establishment of the Central KYC Registry under Section 52A of the Bank of Mauritius Act, to have access to the Central Population Database (CPD) maintained by the Civil Status Office for the validation of the KYC information submitted to the Central KYC Registry.

I shall move for an amendment at Committee Stage to clause 3 to facilitate the verification of the identity of a customer through any other system maintained and operated by the Bank of Mauritius.

Clause 4 - Companies Act amended.

It is proposed to amend the Companies Act in order to enhance the transparency obligations of global business and authorised companies. Presently, not all information relating to global business companies and authorised companies as required under the FATF Standards are publicly available. It must be recalled that the information will be available upon a request made to the Registrar of Companies and payment of the prescribed fees.

It is, therefore, proposed to amend section 14(8) of the Companies Act to allow the following information to be made available upon request –

- (i) list of directors;
- (ii) basic regulating powers (e.g. memorandum and articles of association/constitution), and
- (iii) legal form and status.

The Registrar of Companies will provide additional guidance on the type of information that will be made available upon request.

Mr Speaker, Sir, Mauritius has submitted a technical compliance re-rating application for FATF Recommendation 24 to the ESAAMLG. The proposed amendment will support the application for the re-rating of Recommendation 24. It has to be pointed out that this Recommendation is currently rated partially compliant.

Amendments are also being proposed to relevant sections of the Companies Act for the disclosure of beneficial information at the time of incorporation. In addition to the sanctions for non-disclosure of beneficial ownership information applicable under the Companies Act, the Court will be able to order the company to provide such information to the Registrar. The non-disclosure of beneficial ownership information will be a ground for the removal of a company from the register of the registrar of companies.

Clause 6 - The Financial Intelligence and Anti-Money Laundering Act (FIAMLA) amended.

Mr Speaker, Sir, various amendments are being proposed to the FIAMLA including –

- the definition of financial institution is being revised to include credit unions as well as an institution or person approved under the Trusts Act.
- The reporting and supervisory regime for credit unions are being clarified to align the domestic AML/CFT framework with the requirements of the FATF. In this respect, amendments are being made to the FIAMLA and to the Cooperatives Act under clause 5 to this effect.

As required by the FATF, credit unions have now been defined as financial institutions. They are now no longer defined as DNFBPs.

At the same time, the Registrar of Cooperatives is being maintained as the designated AML/CFT supervisory body for this sector and a clear communication regime between the FIU and the Registrar has been established.

Importantly, the obligation to file STRs is being assigned to the internal controller of credit unions, as it is mandatory for all credit unions to appoint such an officer.

These amendments shall have the merit of eliminating the duplication in reporting which existed previously and of improving the exchange of information between the FIU and the Registrar of Cooperatives.

The FATF definition of Designated Non-Financial Businesses and Professions (DNFBPs) does not capture auditors. Accordingly, amendments are being brought to remove the auditors from the ambit of the FIAMLA. However, auditors will still be required to file suspicious transactions with the FIU and comply with corresponding obligations. For this purpose, sections 10 to 16 and 19 of the FIAMLA are being amended.

A provision for the FIU to disseminate information and results of analyses carried out by it to the Counter Terrorism Unit (CTU) established under the Prevention of Terrorism Act, in addition to relevant investigating authorities, overseas Financial Intelligence Units and regulatory bodies.

Amendments are being made to the timeframe within which STRs should be filed. An STR must now be filed within 5 working days after the suspicion arose.

Internationally, the trend is to have a short timeframe for the filing of STRs, and with technological advances, reporting persons are able to flag and report suspicious transactions more swiftly. This will enable the detection of crime in a more efficient manner.

This change is particularly important in cases relating to suspicion of terrorism financing where swift action by the authorities is warranted. Under the current legislation, reporting entities have 15 working days (i.e. three weeks) to report. This delay is unacceptable in cases where national security is at stake.

Additionally, a new offence has been provided in relation to reporting persons who ought to have reasonably become aware of a suspicious transaction but fail to do so.

The failure to file a Suspicious Transaction Report (STR) was already an offence under the FIAMLA. However, a further step has been taken to capture those reporting persons who fail to put in place adequate systems which would have enabled them to become aware of a suspicious transaction and to file an STR. This highlights the central role played by internal controls and procedures in strengthening our AML/CFT framework and in fighting ML and TF.

To further support the supervision of DNFBPs, a provision is being included to assist regulators in the scoping of the population that they need to oversee. This will enable regulators to better focus their training and outreach activities and to enhance knowledge of AML/CFT obligations within their respective identified segments. This will provide a solid basis for risk based supervision of DNFBPs in line with the expectations of the FATF.

Dealers in Precious Metals and Stones (DPMS) have been identified by the FATF as one of the designated non-financial businesses and professions (DNFBPs) which should be subject to AML/CFT supervision.

To strengthen the supervision of DPMS in Mauritius, definitions of dealer, precious metals and stones are clearly being set out under section 2 of the FIAMLA and are in line with international best practices. This will ensure that the relevant operators are properly identified, and that the AML/CFT framework can be applied for this sector in line with FATF recommendations.

The definition of jewellery has also been broadened to include objects which are not for personal adornment.

Money laundering is not perpetrated only through jewellery which can be worn. As such, it is important for the AML/CFT framework to capture other objects which might be used to launder proceeds of crime.

Mr Speaker, Sir, Clause 8 - The Financial Reporting Act amended.

The Mauritius Institute of Professional Accountants has issued its first Guidelines on Anti-Money Laundering and Countering the Financing of Terrorism in May 2020. This shows the regulatory body's commitment to combat Money Laundering and Terrorism Financing within the Accounting Sector.

Section 55A of the Financial Reporting Act is being amended to impose an obligation on professional accountants, public accountants and relevant member firms to comply with Anti-Money Laundering and Countering the Financing of Terrorism Guidelines issued by the Mauritius Institute of Professional Accountants and the Financial Intelligence Unit.

Clause 10 - Foundations Act amended.

Mr Speaker, Sir, several sections of the Foundations Act are being amended, including -

- Section 2: to provide for the definitions in respect of beneficial owner, ultimate beneficial owner and nominee which will have the same meaning under the Companies Act. For the purpose of transparency, section 23 is also being amended to provide for disclosure of the full name and address of the beneficial owner or ultimate beneficial owner in the case where the beneficiary is a nominee.
- Section 36 subsection (6) is being repealed to provide for a new subsection relating to the provision of any information regarding the beneficial owner or ultimate beneficial owner of a Foundation to be lodged with the Registrar at the time of registration of the Foundation or foreign Foundation, as the case may be. Also, at the time of registration by way of continuation of the Foundation.

Mr Speaker, Sir, two additional subsections are being added under section 36 to create an obligation on the Foundation as well as the Council Member to comply with subsection (1)(d) or (e) failing which they shall commit an offence and shall, on conviction, be liable to a fine not exceeding Rs300,000.

Mr Speaker, Sir, I will further move for an amendment at Committee Stage at clause 10 of the Bill to provide for a new sub-section to section 39 of the Foundations Act to allow Registrar of Foundations to remove foundation from the register where it has failed to comply with section 36(1)(d) or (e) or (5).

Clause 11 – The Gambling Regulatory Authority Act amended.

Clause 11 amends the Gambling Regulatory Authority Act to provide among other things for the following -

- specifying in the definition of horse racing organiser the requirement to be incorporated as a public limited company to adhere with the good governance standards in view of the exigencies and guidelines from ESAAMLG for greater transparency in the gambling sector;
- introduction of the definition of beneficial owner for disclosure purposes at the time an application is submitted for the issue or renewal of a licence and authorising the Gambling Regulatory Authority to conduct due diligence on beneficial owners, directors, managers and other senior officers of an applicant for business;
- empowering the Gambling Regulatory Authority to issue guidelines and codes for gambling sector in line with the AML/CFT standards to combat money laundering and terrorism financing in that sector;
- requiring all casino, gaming house and hotel casino to conduct transactions through player card or debit card at a main desk and only chips transactions on a live table game;
- requiring the horse racing organiser to ensure that all payments to jockey by the stables, stable manager or owners are paid through a specific bank account managed by the horse racing organiser;
- requiring the horse racing organiser to ensure that all registered owners pay their respective shares of keep money through a specific bank account managed by the Club;
- requiring the payment for purchase of horses be made solely by cheque or electronic transfer through a specific bank account managed by the horse racing organiser and closely monitor the source of funds for such purchases;
- notifying the Authority at the time of disposal of an interest in a licensee and obtain relevant information on the person acquiring significant interest to ensure whether the person is fit and proper;
- requiring any person to produce identity card for cumulative financial transactions equal to or above Rs20,000;

- requiring a person to operate or issue a player card as may be authorised by relevant body;
- requiring licensees to register their money laundering reporting officer and deputy money laundering reporting officer with the Authority;
- introducing a fine not exceeding Rs1 m. on the horse racing organiser for non-compliance with any provisions under the Gambling Regulatory Authority Act and any conditions, Rules, Directions or any other guidelines issued by the Authority.

In addition, I will move for an amendment at Committee Stage of clause 11 in the proposed new section 26B by replacing the words "hotel" and "hotel casino" by the words "gaming house".

Clause 12 - Good Governance and Integrity Reporting Act amended.

- The Good Governance and Integrity Reporting Act currently has a financial threshold at which unexplained wealth can be confiscated of Rs10 m. However, lower-level criminals rarely own assets exceeding Rs10 m. and their unexplained wealth cannot be confiscated under the current scope of the Act.
- Therefore, it is proposed that the confiscation threshold should be lowered to Rs2.5 m. in those cases where the unexplained wealth in question consists of cash seized by an enforcement authority during the course of a criminal enquiry;
- Confiscating cash interdicted at the airport or seized during property searches disrupts criminal networks, denying them the proceeds of crime and the means to finance their activities.
- The amendment will put the onus of proof on the respondent to show wealth has been honestly acquired and bypasses the need to first obtain a criminal conviction, which can be a very lengthy and uncertain process.

Clause 14 - The Jewellery Act amended.

I shall move for an amendment to clause 14 at Committee Stage to delete and replace clause 14. This clause replaces the existing definition of "dealer" and excludes the Bank of

Mauritius and other banks licensed by the Bank of Mauritius authorised to deal with precious metals from registration with the Controller.

Clauses 15 and 16 - The Limited Liability Partnerships Act and Limited Partnerships Act amended.

I shall move for an amendment to clauses 15 and 16 at Committee Stage to make a distinction between limited partner and general partner.

Clause 17 - The Mauritius Revenue Authority Act amended.

Presently, the time limit within which the MRA may issue an assessment for under-reporting is three years.

In cases where there are reasonable suspicions that a tax evasion offence has been committed or where a tax evasion offence is also a predicate offence for Money Laundering, the MRA and ICAC will carry out investigations and initiate prosecution procedures, where applicable.

During the prosecution process by the MRA or ICAC, the issue of assessments, by the MRA, will be stayed.

The MRA Act is amended accordingly to provide, in these cases, for stay of issue of assessments coupled with an extension of two years for the issue of those assessments.

Mr Speaker, Sir, Clause 18 – The Notaries Acts amended; Section 16(a) of the Notaries Act is being amended such that any consideration/purchase price will have to be paid before the notary in order to be considered as part of the purchase price and that any price paid *hors de la vue du notaire* will not be considered as forming part of the purchase price. A clause shall be inserted in the deed, stating that the notary has made this clause known to the parties.

I will move for an amendment to Clause 18 at Committee Stage to provide for the disbursement by Notaries in respect of payments made by their clients to be made 5 days after the deed has been signed and executed by all the parties instead of 5 working days after payment is made to the Notaries.

Clause 19- The Prevention of Corruption Act (PoCA) amended:

There is presently a deficiency in the Prevention of Corruption Act regarding the absence of enforceable penalty for a legal person which has committed a corruption offence.

In a decided case, the Intermediate court found that due to the lacuna in our law, no appropriate sentence could be passed in respect of the corruption offences committed by companies as it was not possible to apply custodial sentences to corporate bodies. The Court did not find it proper to substitute a non-punitive sentence which is wholly inappropriate and against the spirit of the POCA.

The proposed amendment addresses this lacuna and will ensure that dissuasive sanctions are provided against legal persons who commit corruption offences.

Mr, Speaker, Sir, I shall move for an amendment to the Bill at Committee Stage by adding a new clause 21 to provide for the coming into operation of new section 11(c), (d) and (e) on a date to be fixed by Proclamation.

Mr Speaker, Sir, this Government has given a high-level political commitment to the FATF to strengthen the effectiveness of its AML/CFT regime.

As a responsible Government, it is of utmost importance that we deliver on this commitment. The future generations to come must be secured.

Investors and the international community must be reassured that the Government is serious in its fight against money laundering and terrorism and proliferation financing.

This Bill is another step to reinforce our legal framework and thus consolidate our robust foundation to strengthen the effectiveness of our AML/CFT regime.

I, therefore, Mr Speaker, Sir, commend the Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill 2020 to the House.

Thank you.

Mr Speaker: Hon. Members, I break the sitting for one and a half hour.

At 1.09 p.m., the sitting was suspended.

On resuming at 3.04 p.m. with Mr Speaker in the Chair.

Mr Speaker: Please be seated!

(Interruptions)

Order! Hon. Members, I have to inform that in regard to the Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill presently being

debated, contrary to established practice, no consensus has been reached by the Whips of both sides of the House on an agreed list of orators.

However, I am in presence of two indicative lists; one from the Government side and one from the Opposition side. In the circumstances, debate will proceed in strict compliance with the rules provided for under Standing Order 39 of the Standing Orders and Rules of the National Assembly 1995. Accordingly, Members desiring to speak shall have to signify his or her intention to the Chair and the said Member will be called upon to address his or her observations.

In case two or more Members rise at the same time, the Chair shall call the Member who first catches his eye to address his or her observations. Other Members will be called upon to take part in the debate in the same manner.

In view of the number of Members having signified their intention to take part in the debate, I am allowing 50 minutes to the hon. Leader of the Opposition, which represent the time taken by the mover of the Bill, the hon. Minister.

With regard to the other Members, 30 minutes are being allocated for them to make their observations.

Hon. Members, the floor is now open. Hon. Leader of the Opposition!

(3.07 p.m.)

The Leader of the Opposition (Dr. A. Boolell): Thank you very much, Mr Speaker, Sir. Mr Speaker, Sir, the Minister of Financial Services and Good Governance has conveyed an SOS, hence the amendments to the amendments of the main amendments. I have no quarrel to pick with the Minister over the amendments, but, certainly, Government has a lot to answer for. It is a race against time; it is a fight for survival. We have to survive and thrive.

Global business, as a strategic sector, impacts directly upon the economy, especially on the balance of payment. What is our objective? The objective is to be removed from the grey list and the EU black list, and to be what we used to be, a financial low-tax jurisdiction of repute and, hopefully, to be the international financial centre of the region.

Let us look at the issues which we need to address and which have been addressed to some extent, what we call ineffectiveness. And if ineffectiveness is addressed by five strategic deficiencies identified by the Financial Action Task Force (FATF) and the European

Union, the amendments to the Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill (No. V of 2020) are not extensive, but rather serve the purpose of increasing fines and reinforcing the Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) the country was supposed to already have implemented.

The only strategic deficiency which has been addressed forcefully is the ultimate beneficiary ownership. Implementation remains the key master, and implementation of the law is the master key. Mr Speaker, Sir, we can turn things round, but, for some time, this strategic sector has to expect more turbulence. When will our jurisdiction be removed from the unwanted list? Not until next year, and the worst period will be from the months of October to beginning of May. I am not the one who said it. That was clearly spelt out by the European Commission.

As long as we pose a threat to the EU financial system, we will not come out of the woods, and the best way to make good use of the assistance dispensed to us by the European Union and Germany, which is, of course, the powerhouse of the European Union, is to recruit the best from home and overseas to head or to assist the effectiveness of law enforcement agencies.

The Minister conceded on *Radio France Internationale* that nothing came out of the phone conversation between the Prime Minister and Mr Charles Michel, Chairperson of the EU Council. There are indeed miles to go and we have to narrow all the deficiencies in the Anti-Money Laundering and Combatting of Financing Terrorism. I told the Prime Minister on 11.06.2020, in relation to PNQ on St. Louis Power Generation, that they are looking at a skid, it's a huge setback, and for a step forward we have taken two steps backwards.

Fraudulent and corrupt practices cannot be tolerated and we need to have a culture of impunity if we want to side-line our critics. On 19 June, the European Union announced that Mauritius would be added to the black list while they were removing Bosnia-Herzegovina, Ethiopia, Guyana, Lao People's Democratic Republic, Sri Lanka and Tunisia. Is Mauritius really worse off than those countries? EU, I agree with you, does act unilaterally, but we have ourselves to be blamed, first, due to delayed action to narrow the deficiencies and, second, because of poor political dialogue and lobbying.

The placing of Mauritius on this list is not only a technical failing of the effectiveness of our controls, but, more importantly, a political failing with regard to our diplomatic

representation at the EU, which should have been aggressive and consistent. Instead, we let things slide and we have been distracted with internal politics, and the Ministry has not done its duty.

For the newly listed countries like Mauritius, the Enhanced Due Diligence Measures will apply from 01 October 2020 to make allowance for the impact of COVID-19 Pandemic. Enhanced Due Diligence means high costs, tight scrutiny, and foreign portfolio investment will either go to Singapore or to Netherlands.

Mr Speaker, Sir, I read an article which was published or rather a statement made by a fine economist, somebody who is well respected, the name of which I won't drop, but he spoke of the consequences of not addressing our deficiencies forcefully and effectively. He talked of balance of payment, the legacy that we are going to bequeath to the younger generation, of flight capital, depreciation of the Rupee, reduced foreign investment, and these are issues that we need to address upfront.

Mr Speaker, Sir, I said it when I intervened on the Finance Bill. If there is a sector where brainpower rules the wave, it is the Financial Services Sector. And there was a time, not too distant ago, when Global Business Companies organised interviews with tertiary institutions to recruit young, promising graduates. As one prominent director told me, they not only do well but are being trained to move from generics into the fields of specialisation; Equity, Health Management, Wealth Management, etc. We have the pool of young graduates, but we have to make sure that we harness our human resources. But, unfortunately, this pool is overflowing and there is no gainful recruitment, for reasons which are too obvious. How is it that a sector which had a growth rate of 12% and a direct and indirect workforce of 15,000 has come to a standstill? And if the process is not reversed, we will go downhill. As matters stand, we are walking on slippery ground; it's not cool at all. Are we running out of the steam or has the model outlived its purpose? The approach has to be holistic. It's time to be proactive. But when I asked people in the sector and sought advice from them, the first thing that came to their mind, the manual handbook of the FSC, which is an important tool, but, unfortunately, has not been applicable as it should be. And in the meantime, due to poor institutional coordination, not a single week goes by that a scandal does not hit us in the face. The latest in the serial financial scandal relates to a German company which allegedly agreed to pay 300 m. euros for an Indian business only weeks after it changed hands for 37 m. euros. That NAG 2015 acquisition which handed huge profits to a Mauritian intermediary was and still is at the centre of criticism from short sellers, who question whether it was part of a giant

road to inflate what we call the Wirecard sales and profits, which is a digital payment company.

Mauritius has been in the news since 2015 mostly for the wrong reasons. There is one issue which I would like to highlight because that was conveyed to me by those who are well versed in the field, in the subject, namely the filing of suspicious transaction reporting which has been reduced from 15 days to 5 working days, which to some of those who know best tell me that it is confusing and impractical. If this reporting period is reduced, is the FIU equipped to provide a response as well?

Let me give you, Mr Speaker, Sir, a shining example of suspicious transaction reporting. A lawyer enlisted by CEB was informed of fraudulent and corrupt practice in the presence of the then Chairman of the CEB, failed to report the case and he is a blatant accomplice under section 44 of the Prevention of Corruption Act. It is precisely the reason why we have to tread cautiously and err on the principle of caution. One has to understand that Mauritius is under constant watch, under constant gaze and whatever we do, it has repercussion. So, that's why I impress upon Government to see to it that corrective measures are taken to address issues which are relevant to ensure that our reputation as a low tax jurisdiction is not tarnished. And people know what is happening. I said it the other day. The African Bank Development has an observer status with Financial Action Task Force and, of course, they know precisely what has happened in Mauritius. We know what have been the findings of the Anti-Corruption and Integrity Department of the African Bank Development. The Prime Minister said that he is in possession of a summary investigation report, but the fact remains that people who were very close to the former Deputy Prime Minister have failed to report a case of suspicious transaction reporting. They failed to report this, and this is a fact, this is obvious, this is striking, and we cannot run away from these harsh realities. So, it is a sad day for a strategic sector which is being undermined by cronies of Government, Mr Speaker, Sir.

Mr Speaker, Sir, hence the reason also as to why I put a PNQ to the hon. Minister on 13 May. I put the question and answers were given, but let me remind him of one thing. Despite some recent progress made in correcting the anti-money laundering and combating the financing of terrorism deficiency, Mauritius is still rated very poorly by the Financial Action Task Force with seven low effectiveness ratings out of eleven effectiveness outcomes, as indicated on the ratings published on the Financial Action Task Force dated 13 February 2020.

The Minister agrees that a country – that’s what he said, if my memory serves me right, in the statement which he made – with more than six low effectiveness outcomes is deemed to have serious deficiency in its anti-money laundering, combating financing of terrorism system and is put on the Financial Action Task Force grey list.

As the Minister is aware, new Financial Action Task Force ratings are only given when it is assessed that sufficient progress has been made. And in its first anti-money laundering, combating financing of terrorism evaluation in 2007, Mauritius was rated non-compliant and partly compliant on less than 17 of the FATF 40 criteria, with only three non-compliant ratings. In 2018, Mauritius was rated non-compliant and partly compliant on more than 26 of the 40 criteria, with 13 non-compliant ratings.

The Minister has to agree that it is dishonest to argue that the previous Labour Government, together with our allies, is somewhat responsible for the dismal financial action task force ratings of Mauritius in 2018, since the 2018 evaluation was based on the Revised Financial Action Task Force principles of 2012, on the Revised Financial Action Task Force methodology of 2013 and on the Revised Evaluation Procedures established by ESAAMLG, the Financial Action Task Force Regional Body only at the end of 2014. And what did the Government do between 2015 to date? Of course, there have been amendments brought in a piecemeal manner. There have been amendments to amendments of the main amendments, but, as I say, the success rests and resides in implementation of the amendments which are being brought.

Mr Speaker, Sir, let me look at one of the repercussions, and shortly after we appeared on the grey list established by the Financial Action Task Force, what impact did it have on the Indian stock market? It fell. It was on 25 February and there was a report which was published in *Weekly* of India. That was what the outcome was in respect of Mauritius being on the grey listing of FATF. The Indian stock market fell and the Securities Exchange Board of India communiqué issued on that Tuesday makes mention of the inclusion of the Financial Action Task Force grey list and urges financial intermediaries to take account of the grey listing information of Mauritius in their risk analysis; a red flag indeed to financial intermediaries doing business with Mauritius, which will adversely affect investment in the global business sectors. And do you know what was said? We joined the FATF grey list alongside of Pakistan.

Mr Speaker, Sir, the Minister is surely aware that the Securities Exchange Board of India has denied foreign portfolio investors from Mauritius classification of Category I because Mauritius is not a FATF member, and this is to our detriment; it is to the detriment of the interest of the global business sector vis-à-vis our competitors.

Let me now turn to diplomacy, and I said there is plenty of room for improvement at the level of economic diplomacy. As a desperate move, Government has negotiated the exit of Ambassador Gunesee from Public Service Commission to designate him as our Ambassador to Brussels, with a roving eye on the European Commission Headquarters to safeguard our interest. It is good to recall that there was a lady who was a former Member of the European Parliament and until 2019, who was a strong and I am sure is still strong fighter for the EU tax justice and she was a person who hit very hard at Mauritius as being not only a low tax jurisdiction but of being a jurisdiction which, to a large extent, according to her, is a tax haven. But we interacted and made it a point to showcase Mauritius. We were fully engaged and I must say, at the time, of course, no one in Government had the power to scan the eyes of any political exposed person or doubtful character of the like of Sobrinho to issue a certificate of good character. But things have moved on since Ambassador Gunesee's golden days as a well-respected Ambassador. Brussels like Washington is infested with lobbyists. I have been told that the services of a reputed law firm in Paris have been enlisted and one of the leading lawyers of the firm is a Mauritian, Mrs Lagesse, whose late father had nothing to do with the St Louis Gate political financial scandal which has rocked this Government.

Mr Speaker, Sir, from grey list to black list, how did it happen and why did it happen? Let me remind our friends that, recently, in respect of tax evasion of high net worth companies and persons from Europe, there is a Danish bank operating in Estonia and this bank, as a result of improper dealings, has turned over the EU red and fuming with anger because of loss of revenue. And EU Parliament has introduced more stringent legislation to wage war on money laundering and financing of terrorism: EU Member States, Council of Ministers, Commission and Parliament will reel all powers to prevent evasion of taxes or laundering of money. Of course, EU will set more stringent rules, guidelines and higher benchmark compared to those of Financial Action Task Force. The EU black list, announced on 07 May 2020, comprises 22 countries and Mauritius, of course, is well poised between Pakistan, Yemen, Zimbabwe, Panama, Botswana, amongst others. Unfortunately, and I have to say it, that, to a large extent, the main culprit is this Government. I agree we do not have

the clout that countries like Saudi Arabia have, irrespective of what the Saudi Crown Prince has committed. We know how they were removed from the black list, but I am not saying that we have to punch above our weight. But we need to cluster and mobilise our strength and see to it that we work together with like-minded countries to put our case across very forcefully. I can understand why a little country like Vanuatu, which is like featherweight, is still on the black list as a jurisdiction. And the Minister has to interface with like-minded. I know the Minister of Foreign Affairs has done so. The Minister responsible for Financial Services has, by videoconferencing, interfaced with like-minded persons, but once our borders are open, the Minister has to cluster his strength, interface with our friends from ACP countries, go on a lobbying mission, set up a Troika team and, if need be, as I say, make an appeal to the European Union to come and depone before the Parliament, to convey strong signals as to measures being taken at institutional level to ward off threats and to be responsive to the outcomes given to us by Financial Action Task Force. We need, first and foremost, to meet criteria established by Financial Action Task Force, to get over what I call the qualifying exam and then to come face-to-face with the European Union. But the signals have to be strong. We have to convey strong signals and impress upon European Union that we are moving towards zero tolerance. But this is a daunting task for this Government and I don't expect this Government to live up to the expectation of our people. Ultimately, we have to be responsible to those young people who are earning a decent living in the financial services sector. As I said, this is a sector where there is no rent-seeking, where there is no rent-seeker. It's a sector which has empowered many young persons, enabled them to take the rung of the social and economic ladder.

Mr Speaker, Sir, make no mistake, no one owes us a living and no one thinks that we are the most beautiful girl in town. Let me take the case of Trinidad and Tobago, which was not on the FATF list, obtained good marks from FATF in February 2020, but appeared on the black list established by the European Union. Even, as I said, if Mauritius live up to the expectation of Financial Action Task Force and has good effectiveness rating, there is no guarantee that we will be removed from the EU list sooner than expected because the threshold is constantly being raised and we have to live up to the expectation of our European friends. That is why we have to move towards zero tolerance. But, by the look of things, I don't think that this Government has the political will to overcome. Instead, it is being overwhelmed by scandals, of what we call the political financial scandals.

Mr Speaker, Sir, as I said, the services of a law firm has been recruited. It is a positive signal. You may recruit whoever you want, but if, at domestic level, you don't become a showcase, as it used to be when we had to defend the case of Mauritius in Abuja, because in the eyes of our African friends, the glass is either half full or half empty. But we have to convince them that the glass is half full and we can bring it to brim-full. To do so, we have to value what I call parity of esteem. We have no lessons to teach our African friends, and this is one of the fallacies of Mauritius, a bit too haughty, and we think that we are the navel of the world and everybody will gaze at us. Those days are gone. I recall when the Minister was Minister of Agro-Industry, I was spokesperson of the ACP on sugar, and Zambia made an appeal to us through the former President who was on a State visit in Mauritius. Zambia has zero quotas and is allocated a small quota only when there is a *force majeure*. They pleaded with us to allocate them a small quota, but then we were under undue pressure from the Sugar Authority, from Plantation House, as if it were to concede an ounce of sugar. If, as Minister, I had conceded, when I came back I would have been lynched by the Press and probably the planters. But those days are gone. Either we are like-minded, we value our friendship, we are part of Africa, we turn our gaze towards Africa, get to know what Africa is, understand the culture of Africa, live with Africa, breathe Africa, we will be neither here nor there and for ever they will terminate all our Double Taxation Avoidance Treaty. If we want to be partners, equal partners, there is something called equity. And when we talk of equity, we are bound to share; sharing of taxing rights. The problem of Mauritius, Mauritius wants to have everything. That is the problem with Mauritius. There comes a time when we have to say to ourselves others also can make it; others also can overtake us; others can do better. But you cannot sit back, relax, enjoy armchair comfortability and say: "We are the best." That is why we need to reinvent, we need to be more sophisticated, but more humane at the same time. And I appeal to this Government to tread cautiously and not to take things for granted. We may come with the best legislation in the world, but if our law enforcement agencies are not enforcing, they are not enforcement, then what is the purpose of coming into this House with the best intention, but when it comes to implementation, we are neither here nor there?

Mr Speaker, Sir, let me tell the Minister that we need to accelerate the pace, we need to move fast, and we need to address those structural defects. And when we look back - I am not going to refer to interview given by your predecessor, and he has been very active and elaborate in several newspapers, but *la vérité aussi vient de ceux qui ne sont pas des anges*. Maybe they are angels with a tight fist, but he said things which were relevant. Let me refer

to some of the things he said. He blatantly accused the former CEO and Chairman of FSC of running down the Commission, and the former CEO has been propelled to the Bank of Mauritius despite extensive harm done to global business. He enjoyed the trappings of the CEO of the FSC and did nothing to pull the 170 business companies together and to constantly impress upon them that our jurisdiction has to measure all the risks and we could not carry on simply ticking the box. Implementation, as I say, of legislative and institutional framework is still, unfortunately, a game for a laugh. It is the designated non-financial business and persons who are having a field day, unfortunately, at the expense of dedicated professionals who are doing their best to maintain Mauritius as a centre of repute.

Let me also refer to amendments being brought to the Gaming Regulatory Authority. But when we look in-house at what is happening at the Gaming Regulatory Authority, we have to ask one basic question: Is it a poll? And we need to find out why Mrs Ringadoo, a decent person, had to resign as Director. Who has given a licence, when COVID-19 was at its peak, to be the sole master of fixed-odds betting and to place bets from punters or racers or matches organised and wherever in the world? And I have been told that the operators are operating illegally as they have no permit and franchise from respective countries' gambling authority where bets are placed.

Now, if Mauritius has become a haven to tolerate people to go into illegal activities, what signals are we sending? What amendments are you bringing to this House? Do you think the world is not looking at us? The world has become a global village. Access to information is a right and no longer a privilege. Whatever we do, we cannot hide, and the truth certainly comes to the surface. So, that is why I say: 'Why should we do things which are illegal?' This is not illegitimate; it is purely and simply illegal. So, those gaming regulatory bodies overseas, do you think they don't know what is happening? Mrs Ringadoo who is a decent person, who has been a victim of this Government, do you think people will stay quiet? And is this the way to recruit the best and to bring the best to head enforcement agencies? That is why I say we should not take risk. This is a sector where you can't say: high risk, high reward. High risk means disaster for this sector. You have to assuage, to mitigate, to take low risk, and we have to move towards zero risk.

Mr Speaker, Sir, the reputation of Mauritius is at stake and whatever we say, whatever we do, unless and until we become a country where there is rule of law, where there is decency, where there is democracy, where there is respect for human rights, then people will look up to us and at us, and we can laugh together. But under the circumstances, under the

Primeministership of hon. Pravind Kumar Jugnauth, this country is retreating. He may retreat, but as an Opposition, we will not allow this country to surrender. We will speak our mind, we will highlight the shortcomings, we will tell Government where the deficiencies are and we will put our best endeavour to save a strategic sector which has empowered so many young people, and they can rest assured of our full support.

Thank you very much.

Mr Speaker: Hon. Minister Bholah!

(3.42 p.m.)

The Minister of Industrial Development, SMEs and Cooperatives (Mr S. Bholah): Thank you, Mr Speaker, Sir. I am pleased to contribute to the debates pertaining to the Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill 2020.

In his Budget Speech, the Leader of the Opposition, hon. Dr. Boolell, said that the EU has not been fair to us with regard to this issue. *C'est une phrase lourde de sens* and I stand to concur with him. May I assure him that this Government will stand to the expectation of the industry and of everybody. We will leave no stone unturned to avoid Mauritius from being included on the blacklist. In his speech today, the hon. Leader of the Opposition has mentioned the Securities and Exchange Board of India (SEBI) where he said that SEBI has categorised the Foreign Portfolio Investment (FPI) domiciled in Mauritius as category 2 due to FATF listing. This is not correct. In fact, the categorisation took place in September 2019, well before the FATF listing. But through the good office of our Prime Minister, the matter has been resolved early this year and the FPI domiciled in Mauritius are now under category 1. In fact, diplomacy has shown how we can resolve issues between countries.

Mr Speaker, Sir, this Bill seeks to reinforce the existing provisions contained in 20 Acts to further consolidate our fight against money laundering and financing of terrorism.

Since independence, as a nation, we have come a long way from a monocrop economy to a tech led and services economy, of which financial services sector is a major component.

Our transformation proved all prophets of doom wrong. It all started with a dream, backed by conviction, willingness, efforts and determination. Succeeding Governments have

managed to establish Mauritius as one of the most successful economies in Africa. It did not happen overnight, Mr Speaker, Sir.

Back in 1968, Mauritius was an agro-based economy, with sugar alone accounting for over 90% of total exports.

In 1970, Mr Speaker, Sir, the Export Processing Zone was established. However, it was limited to precincts of Plaine Lauzun and Floréal only. At that time, we all know, transport services were a major problem. Hence, depriving many citizens of job opportunities.

Mr Speaker, Sir, in the 1980s, the EPZ once again expanded rapidly. The number of companies surged from 115 in 1982 to nearly 600 in 1988. Employment grew and foreign investment became a major factor, accounting on average for 25% of total EPZ investment.

In 1993, the value of EPZ exports attained a record of Rs15.8 billion. Our joint efforts at economic diversification have successfully allowed the country to develop new pillars of growth.

From 1982 onwards, the services sector gained momentum. To note that we now have nearly 40 Double Taxation Avoidance Agreements (DTAs), approximately 25 Investment Promotion and Protection Agreements (IPPAs) and about 50 Memorandum of Understanding signed with different countries.

Mr Speaker, Sir, our success story is based on many foundation stones, namely, strong leadership, policies supported by solid institutions, committed entrepreneurs and partnership between the public and private sectors.

Along this journey, many institutions were set up to back the vision of the Government. Allow me, Mr Speaker Sir, to name a few.

The Bank of Mauritius was set up in 1967.

The Mauritius Freeport Authority was set up in 1992.

The Board of Investment (now the Economic Development Board) came into operation in 2001.

The Mauritius Offshore Business Activities Authorities (MOBAA) had been established in 1992, later to become the Financial Services Commission in 2001.

The Mauritius Revenue Authority has been created in 2004.

A Stock Exchange Act was promulgated in 1988.

The Companies Act was reviewed in 2001.

The Ministry of Financial Services was first created in year 2000, under the MSM-MMM Government.

Mr Speaker, Sir, apart from the BOM, there is a common denominator behind the creation of the above-mentioned institutions. It was when the MSM was in power and led by Sir Anerood Jugnauth. It is the same guidance, Mr Speaker, Sir, that is now being pursued by the Prime Minister, hon. Pravind Jugnauth. This is reflected in our achievements.

First in Africa in the rating of the World Bank Doing Business Report 2020; Mo Ibrahim Index of African Governance 2019; Global Competitiveness Index 2019 by World Economic Forum; Forbes Survey of Best Countries for Business 2019, amongst others.

Maintaining our international reputation as a sound jurisdiction for investments and for doing business has always been high on the agenda of this Government. In the cut throat jungle of international businesses, there are no friends and I am not surprised that we have a disturbing presence.

Ce qui me mène à dire haut et fort que nous sommes peut-être victimes de notre propre succès, M. le président.

Mr Speaker, Sir, there are many disturbing patterns to what is currently happening while accepting that improvement is a continuous process. These patterns are too visible and glaring for me not to mention them.

Mr Speaker, Sir, it is a known strategy that we have to become an inclusive high-income country. The Government had, in 2017, identified the advent of an international financial centre of substance as one of the growth sectors to lead the economy along this path.

The financial services sector accounted for 11.8% of the total Gross Value Added of the Mauritian economy in 2019. This sector has been growing at an average rate of around 5.5% per annum, with an estimated employment potential of above 15,000 professionals.

The number of live Global Business Companies (GBCs) increased from 10,306 in December 2014 to 12,421 as at end of May 2020, reflecting the deep rooted confidence in the jurisdiction.

Indeed, Mr Speaker, Sir, in order to bolster the thrust of the Mauritian jurisdiction as an International Financial Centre (IFC), a 10-year blueprint for financial services was commissioned and delivered in 2018. With the stated objective was of broadening and deepening the product offerings from reputed global financial services corporations. And for this, it was imperative that the IFC upheld international legal provisions to protect the reputation of Mauritius as an International Financial Centre.

Mauritius, as a member of the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG), had committed to strengthening the AML/CFT framework based on the 40 Recommendation Points set out by the Financial Action Task Force (FATF).

Ever since the first mutual evaluation exercise in 2007, Mauritius as a jurisdiction had been reforming its AML/CFT system. Indeed, Mr Speaker, Sir, based on the 'ESAAMLG Mutual Evaluation Report (MER) of Mauritius – July 2018', Mauritius achieved moderate effectiveness in four Immediate Outcomes -

- (1) International Cooperation;
- (2) Preventive Measures;
- (3) Use of Financial Intelligence, and
- (4) ML investigation and prosecution.

The MER of 2018 laid the ground for several recommendations, with the major ones being -

- (1) Implement a National AML/CFT plan of action in a coordinated manner;
- (2) Adopting necessary measures to amend the Financial Intelligence and Anti-Money Laundering Act (FIAMLA) 2002 to expand the scope of scrutiny of Financial Institutions (FIs) and Designated Non-Financial Business and Professions (DNFBPs);
- (3) Revising the Terrorism Financing (TF) legislative framework by removing the requirement for terrorism offences to be connected to an act of terrorism in order to broaden the scope of international cooperation.

In April 2017, when exiting the follow-up process – which had started in 2009 -, Mauritius still had deficiencies in 9 former recommendations and 5 Special Recommendations.

Mr Speaker, Sir, two years later, namely in the Mutual Evaluation Report (MER) of 2019, the Task Force notably pointed out that tremendous progress had been achieved by Mauritius in addressing deficiencies and recommendations.

Mention was made of the amendments made to Section 19D (4) of the FIAMLA as amended by the Finance (Miscellaneous Provisions) Act 2018, whereby all supervisory and investigatory authority should use the findings of their risk assessment to assist in the allocation and prioritisation of resources to combat Money Laundering (ML) and Terrorism Financing (TF) and to ensure that appropriate measures are put in place in relevant sectors to mitigate the risks of Money Laundering and Terrorism Financing.

The MER also mentioned that under the FIAMLA 2018 regulations, no exemption with respect to activities conducted by FIs and DNFBPs is currently applicable in Mauritius, as defined under FATF Standards.

Overall, following this Evaluation, Mauritius was deemed Compliant for 26 and Largely Compliant for 9 out of the 40 FATF Recommendations, having been upgraded on a total of 19 Recommendations. And I emphasise it.

However, the Evaluation Report maintained that the deficiencies pertained to –

- (1) the fact that not all ML/TF risks that the country faces have been assessed, and
- (2) the fact that Mauritius has not developed a risk-based approach to the implementation of the AML/CFT measures.

Consequently, Mr Speaker, Sir, the high level political commitment was taken by this Government in February 2020 to work with the FATF and ESAAMLG to strengthen the effectiveness of its AML/CFT regime, the proposed Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill will further strengthen the legislative framework under the AML/CFT system.

The Financial Services Commission went on to publish its first AML/CFT handbook in January 2020, to provide guidance to all financial institutions, as part of its initiatives in applying national measures in combatting money laundering and terrorist financing.

Suddenly, Mr Speaker, Sir, the European Union, on 07 May 2020, announced that it has come up with a new list of third countries, which according to the Commission, showed strategic deficiencies in their AML/CFT regimes. On the very same day, the Commission came forward with a new methodology to compile this list.

Talk about coincidence, talk about unfairness! But how do you address the issue of changing rules and goal posts during a match?

Mauritius, much to the outcry of various stakeholders, was included on this list, with the likes of Panama and the Bahamas, the hon. Leader of the Opposition has just mentioned about it. This was done unilaterally, without prior consultation nor the country having been given the opportunity to make a representation at the Commission.

The Mauritius Bankers Association (MBA), in a communiqué dated 07 May 2020, pointed out that no strategic deficiencies were identified in relation to the banking sector, and that instead, the report outlined that most banks applied standards which went over and above the regulatory requirements.

Mr Speaker, Sir, as expected, this irrational and despicable move has drawn a lot of criticism on the new methodology adopted by the European Commission, which has the tendency to overweigh the response and under-weigh the risk and threat. Indeed, it seems that the new methodology employed by the EU is prejudicial to less-developed countries fails to focus real purpose of the exercise that should have been to identify countries that pose significant risks and threats to the financial system of the Union.

I will, Mr Speaker, Sir, for the benefit of the House and without prejudice compare the case of an African country and Mauritius.

The highly flawed methodology has removed this African country from the list but added Mauritius to it. Through the financial crime assessment point of view, as shown in an online publication on 'Financial Crime News', that country fared much worse than Mauritius in several categories.

For instance, Mauritius is a cooperative to the EU List of Cooperative Jurisdictions for Tax Purposes while that country is not included. Similarly, on a scoring level, Mauritius scores at 83 out of 100 for its 40 FATF recommendations, while that country has scored lower at 76 out of 100. Furthermore, under the FATF Core 10 Recommendations, Mauritius scored 80 out of 100 while that country achieved a lower score of 76 out of 100.

On a head-to-head comparison on the 40 FATF recommendations between Mauritius and that country, Mauritius outperformed the latter, but was casually added to the list, while that country was dropped.

Experts may argue that that country agreed to an Action Plan in 2017, much before Mauritius, that is, January 2020. But both countries showed equal intent. How do we explain that?

The proposed Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill will go a long way in improving the AML/CFT regime in Mauritius, and meet the deficiencies pointed out in the MER. And we hope that, acting on our intent, we will be able to convince the EU of our desire to be and to remain a compliant jurisdiction.

Mr Speaker, Sir, the Cooperatives Act, which falls under my purview, is being amended pursuant to the AML/CFT Bill.

The Cooperatives Act 2005 was promulgated to provide a legal framework conducive for cooperative societies. However, various loopholes and practical impediments were found with the coming into force of the Act. Further amendments were brought in 2006. However, Mr Speaker, Sir, the legislation was not responsive to new economic landscape. So, in 2016, the previous Government, where I was the Minister of Cooperatives, fundamental changes were brought to the Cooperatives Act. One of the main objectives of the Cooperatives Act 2016 is to promote good governance and transparency by establishing the principle of independent auditing separate from supervisory duties.

Following the new cooperative legislation in 2016, a Cooperative Audit Unit was set up in 2017. The idea was to have a team of qualified professionals to better ensure a structured and vigilant audit so as to build trust and credibility in the cooperative movement.

With regard to the Credit Union, there were 162 active CCUs classified under the industrial or community-based. As per the focus group discussion held with the law enforcement authorities, the main threat associated with cooperative credit unions is embezzlement.

However, community-based CCUs are more exposed to Money Laundering vulnerability threats than industrial-based as in the latter, financial transactions are deducted at source for loan repayment. As in the case of the community-based CCU, transactions carried out are not easily ascertained as this type of CCU has few restrictions for membership eligibility.

The residual Money Laundering vulnerability of CCU resulted in a rating of Medium Low. The identified priorities for the sector to mitigate the level of Money Laundering risk include outreach and training to the CCUs.

In line with our operation plan submitted in July 2019, the Cooperatives Division of the Ministry has set up its AML/CFT Unit on 22 July 2019, followed by a series of workshops.

Mr Speaker, Sir, a questionnaire on AML/CFT is being worked out in view to collect information from credit unions. Guidelines on the AML/CFT for credit unions are presently being worked out and will be issued to the cooperative societies. Sensitisation of officers and co-operators on AML/CFT is also ongoing.

On 16 August 2019, an outreach programme on AML/CFT for the internal controllers and internal controllers of Cooperative Credit Unions in Rodrigues has also been carried out. The Registrar of Cooperative Societies acted as resource person.

On 26 September 2019, the Cooperatives Division submitted statistics in line with ESAAMLG Template.

Mr Speaker, Sir, in the wake of new challenges, further amendments are being brought in this present AML/CFT Bill to align our processes according to international requirements.

Jewellery Act - Mr Speaker, Sir, I will now elaborate on the amendments to the Jewellery Act, which once again falls under the purview of my Ministry.

The Financial Action Task Force (FATF) acknowledges the risks of money laundering and terrorism financing through Designated Non-Financial Businesses and Professions (DNFDPs). The DNFDPs include dealers in precious metals and precious stones, among others.

The jewellery sector is regulated by the Jewellery Act 2007. As at date, 591 dealers are registered with the Assay Office.

The amendments proposed today in the Jewellery Act is to comply with FATF Recommendations. The amendments proposed relate mainly to four definitions under the Jewellery Act –

1. The proposed definition of "dealer" covers a wide range of persons engaged in dealings of precious metals and precious stones, from those who import and

sell precious metals, to precious stone cutters and polishers and precious metal refiners, to jewellery manufacturers who use precious metals and precious stones, to retailers, to buyers of second-hand jewellery.

With the amendment brought to the definition of “dealer”, all persons currently involved in activities related to the jewellery sector in Mauritius are henceforth covered.

2. Definition of Jewellery. The present definition of 'jewellery' means any article for personal adornment made of a precious metal or of its alloy, and which exceeds one gram. Under the proposed definition, “jewellery” will not be limited to articles of personal adornment, but will also include any articles made of precious metals;
3. Definition of Precious Metals. Presently, “precious metals” means gold, silver and platinum. The new definition of “precious metals” will also include palladium. On the international market, palladium is widely used in the manufacture of jewellery and other items, and
4. Definition of Precious Stones. Apart from diamond, “precious stones” will also include sapphire, ruby, emerald, alexandrite or tanzanite, which are of high commercial values. Recently, tanzanite has gained a lot of popularity in the precious stones' markets.

These proposed amendments to the Jewellery Act will not affect the manufacture of jewellery as marking will continue to apply to jewellery which relates to an article for personal adornment made of precious metal or its alloy, and which exceeds one gram.

The proposed amendments to the Jewellery Act is to better protect those persons who deal in precious metals and precious stones from potential abuse by criminals and terrorists, thereby enhancing the dealers' protection against money laundering. These amendments are key steps to enable dealers under the Jewellery Act to fall under the ambit of the FATF Recommendations and for the Financial Intelligence Unit (FIU) to investigate cases of money laundering and terrorism financing.

Further, the FIU will come up with guidelines on the measures for the prevention of money laundering and countering the financing of terrorism for the jewellery sector.

The guidelines will provide assistance to dealers under the Jewellery Act in meeting their obligations in relation to the prevention, detection and reporting of money laundering, financing of terrorism and proliferation.

It will also assist the sector in establishing strong systems and in becoming partners in the fight against money laundering and terrorism financing. Through compliance with their obligations, dealers can ensure that their businesses are not misused by money launderers and those financing terrorism.

Mr Speaker, Sir, I will borrow the words of former President of Mexico, Enrique Peña Nieto, who stated, and I quote –

“Money laundering is giving oxygen to organised crime.”

When it comes to financing of terrorism activities, I must say that terrorism destroy lives, democracies, liberties, and threatens peace and tolerance around the world. This is why, as a responsible Government, it is our top priority to maintain the integrity and soundness of our jurisdiction.

On my side, I maintain that we have been victims of our own success or have been unwillingly caught in the crossfire or fallout of geopolitical games or simply victims of irrational decision that may have unfortunately caught us unawares. But I will as a patriot emphasise that this issue remains one of national importance and to which we should all contribute to remedy.

The AML/CFT Bill 2020 is a stepping stone to show the world that we strongly believe in transparent and compliant business and my Ministry will definitely be on-board to implement the proposed amendments.

Thank you, Mr Speaker, Sir.

Mr Speaker: Hon. Reza Uteem!

(4.11 p.m.)

Mr R. Uteem (Second Member for Port Louis South & Port Louis Central):

Thank you, Mr Speaker, Sir.

Hier, l'Express titrait –

"Descente aux enfers du Global Business Mauricien".

« Descente aux enfers du Global Business Mauricien », le titre n'est pas trop fort et reflète parfaitement le sentiment qu'animent les opérateurs du secteur du Global Business à Maurice. Un secteur qui contribue quand même à 12%, à hauteur de 12% à notre produit intérieur brut. Un secteur qui a connu une croissance soutenue, en moyenne de 4%, depuis sa création dans les années 90. Un secteur qui emploie plus de 10,000 employés. Un secteur qui a permis à beaucoup de jeunes de pouvoir passer du stade de la pauvreté à la richesse, grâce à leur matière grise, grâce à leurs compétences. Un secteur porteur d'espoir pour beaucoup de jeunes.

Mais, malheureusement, M. le président, depuis 2016, il n'y a eu que de mauvaises nouvelles pour ce secteur, avec notamment les traités de non-double imposition qui ont été révoqués ou renégociés à notre détriment avec des termes nettement moins avantageux.

Mais le véritable coup de massue fut notre inclusion sur la liste noire de la Commission européenne. Pourtant, c'était prévisible mais certainement pas inévitable et si aujourd'hui nous sommes *blacklisted*, c'est entièrement de la faute de ce gouvernement qui n'a pas su gérer la situation.

(Interruptions)

Mr Speaker: Order! Order, please! Order! Continue!

Mr Uteem: Everything started in June 2017 when a delegation of ESAAMLG came to Mauritius to analyse the level of compliance with FATF 40 recommendations and the level of effectiveness of the Mauritius Anti-Money Laundering and Combating of Terrorist Financing Regime. ESAAMLG stands for Eastern and Southern Africa Anti-Money Laundering Group and consists of 18 countries, including Mauritius.

In July 2018, ESAAMLG published the Mutual Evaluation Report on Mauritius. In a 209 page long document, ESAAMLG analyses in-depth, our existing legal and institutional framework but also our level of compliance with FATF standards. The report was damning. Out of 40 recommendations of the Financial Action Task Force on money laundering, also known in French as *Groupe d'Action Financière (GAFI)*, out of those 40 recommendations, Mauritius was compliant in only three cases and was non-compliant in 13 cases. And for the balance of 24 remaining, we were either partially compliant or largely complaint. The global business sector was in a state of shock and disbelief.

But the Ministry of Financial Services and Good Governance issued a communiqué on 13 July 2018, claiming that, and I quote –

“The draft Report is CONFIDENTIAL.”

It’s only a draft Report. It also stated –

“(…) when the post plenary version of the report was received, a number of shortcomings regarding the quality and consistency as well as some procedural irregularities were noted.”

And then, in caps, so that there is big emphasis, “AT THIS STAGE”; we are in July 2018 –

“AT THIS STAGE, IT IS PREMATURE TO COMMENT ON THE FINDINGS OF THE REPORT AND ALL SPECULATIONS WILL MERELY CAUSE UNNECESSARY PREJUDICE TO THE MAURITIUS FINANCIAL SERVICES SECTOR.”

So, when the report came out, the reaction of Government was ‘no, don’t take this report seriously. It is only a draft.’ Besides, it is confidential; we are not even supposed to know about this report. So, when the report came out, the reaction of Government was, no, don’t take this support seriously, it is only a draft, besides it is confidential, we are not even supposed to know about this report, and don’t speculate on it because you are going to cause unnecessary prejudice to Mauritius. And then, a Ministerial delegation went to Seychelles to defend our position and to try to get us out of the list. Unfortunately, it was in vain, the report was published on 21 September 2018 without any amendment. Government reacted by publishing a new set of regulations, namely the Financial Intelligence and Anti-Money Laundering Regulation 2018, to address the FATF recommendations.

On 21 May 2019, last year, the Anti-Money Laundering and Combatting the Financing of Terrorism and Proliferation (Miscellaneous Provisions) Bill was debated in this House. The object of that Bill was to amend various enactments with a view to meeting international standard of the FATF related to the proliferation of weapons and mass destruction and to provide for matters related thereto.

Mr Speaker, Sir, the Bill that we debated and voted in this House last year, in 2019, is identical to the Bill that is before this House today. The object of the Bill that was debated last year was almost identical to the object of the Bill that we are debating this year. Last year, we amended not less than 18 legislations, today we are also called upon to amend another 18 pieces of legislations. But how amateurish can we be? Why is it that last year, we were called before this House and told, please, vote these 18 pieces of amendment to our existing legislations so that we can be taken out of the list of the FATF recommendations, we

can comply with the 40 FATF recommendations. This is all you need to do, vote those legislation and we will be home and dry. But what happened last year? September 2019, after we had amended the 18 pieces of legislation, ESAAMLG came out with its second enhanced Follow-up Report and technical compliance re-rating.

Page 130 of the Report, and I quote –

“Mauritius has made significant overall progress in resolving the technical compliance shortcomings identified in its MER and ratings for 19 recommendations have been revised.”

Very good! So far, so good, we have been able to demonstrate that we are a good student and we are taking measures to comply with the recommendations. But then, at paragraph 132, it is said –

“However, while the steps taken to address the deficiencies have been noted, the information currently provided does not indicate that the country has made sufficient progress to warrant re-rating.”

So, ESAAMLG was fair, we made some progress, but, by no way enough progress, we still need to, we can do better still. Yet, on 13 September, when the then Minister of Financial Services and Good Governance came to this House and made a statement, he only highlighted the positive aspects of the ESAAMLG Report. He said, and I quote –

“Madam Speaker, I wish to highlight that the FATF, the UK, the USA and the ESAAMLG Secretariat have unanimously recognised and congratulated Mauritius for its commitment at highest level to resolve its shortcomings and the significant progress made in a short period of time.”

Self-congratulating, yes, everybody is happy about Mauritius who has done tremendous progress. That was in September of last year, and not a word in that statement about the deficiencies in the other recommendations that we still are not compliant. Not a word about what we intended to do to meet up these five major deficiencies, not a word about why we are still deficient in these five material deficiencies. And not only the Minister said so, even the Financial Services Commission, on 31 October 2019, issued a communiqué entitled:

‘Mauritius compliant with FATF recommendations’. The heading, ‘Mauritius compliant with FATF recommendations’, when both the Minister and the Financial Services Commission knew, at that time, that there were five recommendations highlighted by ESAAMLG,

highlighted by FATF where we were not compliant. Again, not a word by the FSC to say what it intends to do to address those five deficiencies.

And then, what has to happen, happened. On 21 February 2020, the FATF published its list of jurisdictions under increased monitoring. Actually the FATF has three lists: one, the black list; second, a grey list where you have jurisdictions with strategic deficiencies, and third, the white list of countries which are not being monitored, which are okay with FATF. We were placed on the grey list. According to the website of FATF, a country is placed on the grey list when there are strategic deficiencies in their regime to counter money laundering, terrorist financing and proliferation of financing. Placing Mauritius on the grey list was way worse than what ESAAMLG had reported in its reports because anyone with a basic knowledge of compliance knows how bad it is to be on FATF grey list. Countries like Nicaragua, Panama and Zimbabwe are on that list. This is the type of people that goes on that list. So, we were all eagerly awaiting the statement by the hon. Minister of Financial Services and Good Governance. And on 24 February of this year, he addressed the House. However...

(Interruptions)

Mr Speaker: I can hear some murmuring on the other side.

Please, continue!

Mr Uteem: However, he didn't say a word on Mauritius having been placed on the grey list; not a word. In fact, he went on to blame the former Government for its inaction between 2008 and 2012, but did not say a word why we were not fully compliant. Why is it that despite what the ESAAMLG had pointed out to us in September 2019 until February 2020, we had not done anything to address the concern of FATF? And he also didn't say what is the consequence of being on that grey list, instead he announced, and I quote –

(Interruptions)

Mr Speaker: Quiet now! This is the time for peace. No fighting! Peace!

(Interruptions)

Mr Uteem: So, we are in February 2020, Mauritius has just been placed on the grey list of FATF. Everybody is worried and the hon. Minister of Financial Services and Good Governance comes to this House and gives his statement, and this is what he said –

“Mr Speaker, Sir, to conclude I would like to reassure the House that my Ministry is coordinating the implementation of the FATF Action Plan and has already obtained technical assistance from international partners, including the European Union and the Government of Germany, to further support the work that has already started. We are also embarking on a recruitment process to ensure that all our institutions are fully manned to undertake their AML/CFT obligations.”

Now, it is in February that we are going to recruit people, we are going to ensure that all institutions are properly manned, fully manned, when ESAAMLG has been telling us since 2018 that there are serious deficiencies in our law enforcement agencies.

Again, this sense of complacency and I have seen it today as well. This sense of complacency, everything is fine, we are not compliant with FATF recommendations, we are on the grey list, so who cares, just chill. We are in control here. This is the message systematically. That has always been the message sent by this Government and this is why one commenter in *l'Express* stated, and I quote, on 24 February -

“A l'Hôtel du gouvernement, on cherche à minimiser l'impact de l'inclusion de Maurice sur cette liste grise.”

Exactly what the Government tries to do. ‘Everything is in control, we are on the grey list, do not panic; we are now getting support from Germany; we are going to recruit new people; everything would be fine.’ That has been the message sent on 24 February in this House. And then came *le coup de massue, le 7 mai 2020*, the European Commission published its list. The Commission has a legal obligation to identify high risk third countries with strategic deficiencies in their regime regarding Anti-Money Laundering and Countering Terrorism Financing. This is what is known as the black list, not the grey list, a black list, countries with strategic deficiencies in their regime regarding Anti-Money Laundering and Countering Terrorism Financing and Mauritius was one of the few countries. There are only a few countries; there is Bahamas, Barbados, Botswana. Cambodia, Ghana, Jamaica, Mauritius, Mongolia, Myanmar, Nicaragua, Panama and Zimbabwe. Only 12 countries identified by the European Union, Seychelles are not even on that list. All our competitors from the Cayman Islands are not on that list, perhaps, other than Bahamas. Mauritius, the once well regulated centre is now blacklisted and the Government keeps telling us then and even now that we have till 31 October to get out of this list.

This is their reaction. They went in the press, they went everywhere, even in this House, after we said and there was a PNQ by the hon. Leader of the Opposition in May of this year saying how bad it is to be on the black list. What was the reaction of Government? Wait, we still have October, now we are going to talk to our partners in the European Union, the European Commission, do not worry it is a mistake, we will be taken out of the list. That was again the same thing like they did, downplayed the fact that we were on the grey list, now downplay the fact that we going to be on the black list.

On 08 June, the hon. Prime Minister was supposed to speak to Mr Charles Michel, President of the European Council. What happened? Why was our Prime Minister unable to convince him that Mauritius is a well-regulated financial centre, that it has taken all the necessary measures to comply with all of FATF recommendation? And out of respect for this House, and for the population and for all those employed in the Financial Services Industry, shouldn't the hon. Prime Minister come with a statement and explain why he has failed, why his Government has failed to take Mauritius out of this blacklist before 01 October?

Mr Speaker, Sir, I have the impression, maybe I am wrong, but this Government does not...

(Interruptions)

Mr Speaker: What is happening there?

Mr Bhagwan: *Ferme ou la bouche do chokra!*

Mr Speaker: What is happening there?

Mr Bhagwan: *Ferme ou la bouche do chokra!*

(Interruptions)

Mr Uteem: Clearly, now – I am not wrong - it is clear that there are hon. Members who do not appreciate what it means to be on a black list of the European Union, now you have confirmed what my impression was, you don't know, you don't appreciate what it means to be blacklisted, to be on the black list of the European Union. The first consequence of being blacklisted and I am not inventing it, you just have to go on the website of the European Commission. I know you spend all your time on your laptop instead of listening to us, go and read it. You will see first consequence of being blacklisted. There is a prohibition against International Financial Institutions and National Promotion and Development Banks, what we call DFIs, entering into new or renewed operations with entities established in

countries on the EU list of high risk countries when carrying out financial operations supported by the European Union Budget. What it means, any company wishes to receive funding from an agency which comes from the European Union, whether it is CEC, whether it is Proparco, whether it is in Germany, in Sweden, any fund who wishes to get funding from the European Union cannot do so as long as they are based in Mauritius.

There is a prohibition. DFI cannot invest into Mauritian entities and when we know that most funds, in recent years, that have been set up in Mauritius, have been set up especially to invest into Africa and most, if not all of these funds, rely on DFI's funding. So, henceforth, because we have been blacklisted, there is a prohibition on DFIs to enter into new or renewed operations with funds companies based in Mauritius.

In other words, if a fund wants to get funding from DFIs coming from the European Community, they have to migrate out of Mauritius, they can't stay in Mauritius and DFIs were quick to react, they did not wait for Mauritius, they did not wait for the phone calls. On 16 June, two weeks ago, barely two weeks ago, CDC group, one of the largest DFIs, the UK Development Finance Institution and Impact Investor signed a partnership agreement with Rwanda to support the development of the New International Financial Capital for Africa. The Kigali International Financial Centre is intended to be a world-class financial hub designed to promote inward investment and the creation of thousands of highly skilled financial sector jobs for the benefit of Rwanda and the African Continent.

We can't be clearer than that, CDC is saying we don't want Mauritius, we are going to Rwanda and yet, wasn't it this Government or the former one, in February 2016, which invited the Mayor of the City of London, Mr Jeffrey Mountevans, to re-launch our Mauritius International Financial Centre. That was in 2016, four years ago, England was fully behind Mauritius. In the space of four years, England, through CDC, is now going to promote a competitor in Africa, Rwanda. Rwanda, who can speak both English and French.

Mr Speaker: Order!

Mr Uteem: If this is not a motion of no confidence in Mauritius and in this Government, what is it exactly? So, the Government sector will be the first hit and badly hit and already we are seeing it, I see there are people from the financial community. The hon. Minister knows how many companies, how many firms have already intimated to their management companies that they want to delocalise, they want to migrate and once they start migrating, what will happen to these management companies? Loss of revenue, once they

lose revenue what they will do? They will start sacking people, there would be less revenue to the MRA, less taxes paid to MRA but not just management companies, accounting firms will be affected, those who prepare financial statements and audit, all these 20,000 companies. Lawyers, law firms will be affected, those who provide legal services to these companies and Board Meetings would no longer be held in Mauritius. So, people who use to travel to Mauritius to hold Board Meetings, business trips, will cancel. That will impact on all business tourism, impact on hotels and Air Mauritius, we are already badly hit by the COVID-19 pandemic and if funds leave Mauritius, that will have a direct impact on our bank deposit with local banks. This will result in a shortage of foreign currency and when there is less foreign currency, the rupee appreciates. When the rupee appreciates, our import increases, the value of our import increases, medicine will cost more, food will cost more, inflation will kick in. And the flight in capital will not only affect the banking sector, it will also affect our current account and our balance of payments. So, being blacklisted does not affect only financial services, does not affect only a few management companies, lawyers and accountants, it will affect the whole country, and this is why I think that this Government does not fully appreciate what it means to be blacklisted.

Another consequence of being blacklisted is that banks and other financial institutions will have to apply extra check, known as Enhanced Due Diligence for transactions involving a Mauritian party. A European bank, henceforth, will have to ask several questions on Mauritians: where are these funds coming from? What is the source of your funds? Prove that it is not from illegal sources, it is not tainted. Who is the beneficial owner of these funds? So, they are obliged under law now because we are a centre with deficiency. They are obliged to do an enhanced diligence. What it means? In best-case scenario, it means delay in transfers. In worst-case scenario, it means that these foreign banks will simply refuse to deal with Mauritian companies, and this will affect all of us, all Mauritians, all foreign workers wishing to transfer funds outside of Mauritius. A trader who needs to transfer funds to pay for his imports, a manufacturer who has to pay for the raw materials; a father/a mother, who has to transfer funds to his/her children who are studying abroad university. They all will be impacted, and I already know, Mr Speaker, Sir, several cases where requests for transfers have been turned down by European banks.

Mr Speaker: You have five minutes to go.

Mr Uteem: Yes. Mr Speaker, Sir, I will rush to finish. For me, I do not think this Bill will make a big difference. I am quite sceptical because the FATF identified five areas, and

the main area is our failure to demonstrate that law enforcement agencies have capacity to conduct money-laundering investigation including parallel financial investigation in complex cases. So, this is not me saying; it is FATF and the European Union telling us that our law enforcement agency does not have the capacity to conduct money-laundering - who is our law enforcement agency? It is ICAC, the Independent Commission against Corruption. Why are they coming to this conclusion, because of Sumputh, Choomka, Yerrigadoo, Sobrinho, Soodhun, the list is very long! The list is very long!

(Interruptions)

Mr Bhagwan: *Collendavelloo kumadir... Collendavelloo kumadir...*

Mr Speaker: Order!

Mr Bhagwan: *pu kozer mem la!*

An hon. Member: *Mo dir seki mo envi!*

Mr Bhagwan: *Eta ferm to la bousse do bachara!*

Mr Speaker: Order! Order!

Mr Uteem: *Pan gayne ticket dan MMM, pe koz buku sanla la!*

An hon. Member: *Mo dir seki mo envi!*

Mr Uteem: And why shouldn't people have a bad conception about ICAC? There are only three people at the level of ICAC. There is a Board consisting of a Chairperson nominated by the Prime Minister and two members. In 2019 election, one of the two members, from the MSM was a candidate, Constituency No.2, the other member's son was a candidate for again MSM, in Constituency No.18, and the Director General, we all see how he changed his mind when he went to the Privy Council in the Medpoint case.

So, today the perception is ICAC is controlled by the MSM because ICAC members end up being candidates for the MSM at the elections, and nothing will happen. The FSC - what happened to Sobrinho? Are people forgetting that when Sobrinho's licences were revoked and the FSC decided to give him back his licences, directors from the FSC resigned, the Solicitor-General resigned, yet FSC not only gave him back his licences, but gave a Management License Tyson Corporate to Sobrinho, this same gentleman who is under investigation by ICAC, this same gentleman who led to the crash of a bank in Angola. What about Quantum Global? Quantum Global, the Government of Angola comes and says that

this company, together with Bastos de Morais, has diverted funds, misappropriated sovereign fund. Was there any arrest? Was anyone sanctioned? Was anyone convicted? And yet, the FSC and ICAC receive hundreds of millions of rupees every year, for doing what?

Mr Speaker, Sir, I will end up by saying only two things - I'll wrap up. There are two technical deficiencies in this Bill; the first one, to assure access to accurate basic and beneficial ownership information by competent authority in a timely manner. Yes, this Bill addresses a number of issues with respect to companies, limited partnerships, foundations, but not with Trusts. Section 33 under the Trust Act, which prevents the trustee from divulging confidential information, including names of beneficiaries, unless there is an order of the Court, and only the Director of Public Prosecutions can apply to Court, and on proof beyond reasonable doubt that the information is required for an investigation in drug and money laundering.

So, this is one aspect which is not covered, then the second aspect, which was highlighted in the list of the FATF, is a risk-based approach for supervision of non-profit organization sector to prevent abuse for terrorist financing purposes. This is dealing with charities. Again, not a word in this Bill about supervising charities, NGOs, there is nothing in this Bill. What we needed really is a Commission of Charity, so that all charities in Mauritius will have to prepare the accounts, have them audited, file them with an authority, and that authority can question them as and when.

Mr Speaker, Sir, I will finish now by this word. There was a time where people used to look up to Mauritius. There was a time where we were the pride of Africa. There was a time where we were cited as model. Today, African countries do not want anything to do with us. Senegal has revoked its treaty, now Zambia has revoked its treaty with us. History will bear witness that this Government brought the global business sector to its knees!

Thank you.

Mr Speaker: Hon. Dr. Padayachy!

(4.43 p.m.)

The Minister of Finance, Economic Planning and Development (Dr. R. Padayachy): M. le président, l'*Anti-Money Laundering and Combatting the Financing of Terrorism Bill* présenté à la Chambre vise à rendre notre juridiction toujours plus conforme aux meilleures pratiques et normes internationales en matière de lutte contre le blanchiment de capitaux et le financement du terrorisme.

Le vote de ce projet de loi nous permettra non seulement d'optimiser la réglementation existante, mais aussi, et ce point essentiel, de faciliter son implémentation. C'est sans nul doute sur ce dernier point que nos efforts doivent se concentrer.

Soyez certains que les différentes institutions sous la tutelle du ministre des Finances, en collaboration avec les autres ministères concernés, y travailleront d'arrache-pied. Notre volonté de continuer à réformer notre cadre législatif eu égard aux activités du secteur des services financiers et au-delà s'exprime à l'aube d'une vague de profonds bouleversements.

Maurice est en effet confronté à d'importants défis qui nous encouragent à rehausser notre niveau de conformité, notamment vis-à-vis des standards dégagés par les organisations internationales et organismes de normalisation.

Plus important encore, nous traversons une crise, qui a, comme j'ai eu l'occasion de le dire à plusieurs reprises, ébranlé le *business as usual*. Le mieux est l'ennemi du bien. Il ne suffit pas, ou en tout cas il ne suffit plus de miser sur une politique fiscale compétitive pour attirer et retenir les investisseurs à Maurice. Il faut également un niveau de sûreté élevée, s'exprimant au travers de différents paramètres. C'est aussi cela notre nouvelle normalité.

C'est dans cette perspective que je souhaiterais d'emblée insister sur le fait que ce projet de loi ne nous est dicté ou imposé contre notre gré. Il représente en réalité une opportunité, celle de mettre une nouvelle fois en place des réformes d'envergure à l'échelle nationale. Je vous rappelle que ce projet de loi vient amender près de vingt textes, allant, pour ce qui concerne mon ministère : de la *Banking Act*, *Companies Act*, *Foundation Act*, *Gambling Regulatory Authority Act*, *Limited Liability Partnership Act*, *Limited Partnership Act* jusqu'à la *Mauritius Revenue Authority Act*. Nous sommes ainsi, et conformément à la vision portée par le Premier ministre, dans une démarche volontariste de nivellement continuels vers le haut. Notre objectif est, bien sûr, de faire état de notre conformité auprès des instances internationales. Mais notre véritable ambition va bien au-delà. Nous voulons que Maurice ne soit pas seulement acceptée par la communauté internationale comme un centre financier mais soit portée en exemple ; que notre pays s'érige au rang mondial de terre d'investissements et d'opportunités sûres et compétitives. C'est un travail de longue haleine. Nous nous y attelons avec le plus grand sérieux. Et pour preuve, depuis que ce gouvernement est aux commandes, nous n'avons eu de cesse que de réformer le secteur des services financiers bancaires et non bancaires.

M. le président, l'environnement réglementaire est extrêmement dynamique, faisant ainsi de la conformité un processus d'apprentissage continu. Ainsi, l'*Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill* est à comprendre comme une nouvelle pierre à l'édifice de l'action gouvernementale. Permettez-moi alors de montrer en quoi ce nouveau projet de loi s'insère dans la stratégie de lutte contre le blanchiment de capitaux et le financement du terrorisme déployés au cours de ces dernières années. Je ne pourrai faire la synthèse du travail déjà accompli par ce gouvernement sans prendre la crise de 2008-2009 comme point de départ.

M. le président, la précédente crise financière a bousculé la façon dont la fiscalité est abordée au niveau international. En effet, tout commence en juin 2012, alors les dirigeants du G20 s'accordent sur la nécessité de lutter contre les stratégies fiscales agressives et déloyales. Le projet *Base Erosion and Profit Shifting (BEPS)* est alors lancé avec le soutien de l'OCDE. Faisant suite à la publication par l'OCDE en octobre 2015, des quinze points d'action *BEPS* afin de reformer le système fiscal international, Maurice a, de son propre chef, la même année, rejoint le groupe ad hoc afin d'élaborer un instrument multilatéral pour mettre en œuvre ces recommandations. La mobilisation de ce gouvernement n'a pas eu de limite. Les représentants du ministère des Finances, de l'*Attorney General's Office* et de la *Mauritius Revenue Authority* ont d'ailleurs participé à l'élaboration de cet instrument multilatéral au côté de 97 autres pays. Ce dernier a été finalisé fin décembre 2016, et quelques mois après, Maurice en était déjà signataire. L'accord a été mis en œuvre, et aujourd'hui, dans notre pays, tous les traités, à l'exception de la Convention de non-double imposition fiscale avec l'Inde, y sont soumis.

M. le président, l'autre domaine d'intérêt de l'OCDE est la mise en œuvre des recommandations visant à lutter contre les pratiques fiscales dommageables. Dans l'OCDE, par l'intermédiaire de son forum *on Harmful Tax Practices (FHTP)*, que l'Union Européenne, au travers du *TAXUD and the Code of Conduct Group*, ont procédé à des évaluations des régimes fiscaux préférentiels de nombreux pays, dont Maurice, afin de déterminer s'ils sont dommageables ou non. Certaines caractéristiques potentiellement dommageables ont été identifiées dans nos régimes fiscaux pour le Freeport, l'assurance captive, les *GBC 1 & 2* et les banques. Sur la base d'un dialogue proactif et d'une approche volontariste, Maurice s'est, dans la foulée, engagée auprès de l'EU et de l'OCDE, à traiter tous les problèmes identifiés au plus tard le 31 décembre 2018. Pour y parvenir, rien n'a été occulté. Des réformes majeures ont été apportées par le biais de la *Finance Act 2018* à nos

régimes fiscaux, notamment en supprimant le régime du *Foreign Tax Credit* et en introduisant un nouveau système d'exonération partielle. En octobre 2018, l'OCDE a évalué les réformes que nous avons conduites et a conclu que notre régime fiscal ne présentait aucune caractéristique dommageable. Cela étant dit, quelques amendements et des clarifications étaient encore demandés par l'EU. Avec la *Finance Act 2019*, Maurice a finalisé ces réformes. Preuve s'il en est, le 10 octobre 2019, le Conseil des affaires économiques et financières (ECOFIN) de l'Union Européenne, composé des ministres des Finances des 28 Etats membres, a officiellement reconnu que Maurice avait mis en œuvre toutes les réformes nécessaires pour se conformer aux principes de bonne gouvernance fiscale de l'Union Européenne. L'ECOFIN a également salué le fait que les réformes aient été implémentées avant la date limite fixée. Ce chantier titanesque et continu qui vise à faire de Maurice une juridiction de substance a été rendu possible grâce à ce gouvernement. Porté par la vision de notre Premier ministre, notre gouvernement a eu le courage et la détermination d'engager les réformes de fond. Nous avons, en effet, pu nous conformer pleinement au projet *BEPS*, et aujourd'hui, l'Union Européenne et l'OCDE reconnaissent toutes deux que Maurice est un pays, où, il n'existe pas de pratiques fiscales dommageables. Pas plus tard que la semaine dernière, le rapport *Transparence Fiscal en Afrique 2020*, commandité par l'OCDE, a fait figurer Maurice en deuxième position des pays ayant échangés avec le plus grand nombre de juridictions au sein de l'Union africaine pour lutter contre l'évasion fiscale.

M. le président, vous vous souvenez certainement que Maurice a été un membre fondateur de l'entité régionale du Groupe d'Action Financière (GAFI), le Groupe Anti-blanchiment en Afrique Orientale et Australe (GABAOA), *ESAAMLG* en anglais. A ce titre, nous avons été l'un des premiers pays de la région à développer un régime de lutte contre le blanchiment des capitaux et le financement du terrorisme. Je me permets d'ouvrir une parenthèse pour rappeler que, contrairement à ce gouvernement, l'Opposition, quand elle était au pouvoir n'a, elle, jamais pris la peine de se rendre aux réunions du Groupe. Je referme la parenthèse et reprends le cours des choses en 2018.

En septembre 2018, l'*ESAAMLG* a publié le Rapport d'évaluation mutuelle, le *MER*, sur le niveau de conformité de Maurice vis-à-vis des 40 recommandations du GAFI, ainsi que sur le niveau d'efficacité de son système de lutte contre le blanchiment de capitaux et le financement du terrorisme. Depuis, Maurice a proactivement apporté de nombreux amendements à son cadre normatif. Un ensemble de règlements, à savoir le *Financial*

Intelligence and Anti-Money Laundering Regulation 2018, a été promulgué avec effet au 01 octobre 2018, afin de répondre aux exigences des six principales recommandations du GAFI en matière de : vigilance à l'égard de la clientèle, de personnes politiquement exposées, de correspondants bancaires, de services de transfert de fonds ou de valeurs, de nouvelles technologies et de virements électroniques, de recours à des tiers et du contrôle interne des succursales et filiales étrangères, entre autres.

A la lumière des amendements législatifs apportés, Maurice a obtenu, à la fin de 2019, une évaluation positive de l'immense majorité des recommandations. Aujourd'hui, Maurice est conforme ou largement conforme à 35 des 40 recommandations. Plus important encore, Maurice est en conformité avec les 6 grandes recommandations prioritaires du GAFI. Dans la foulée, en novembre 2019, Maurice a soumis son rapport sur la période post-observation au groupe conjoint Afrique/ Moyen-Orient du GAFI afin d'examiner les progrès réalisés dans la mise en œuvre des 58 actions recommandées par l'*ESAAMLG*. Une délégation de Maurice s'est même rendue au Maroc en janvier 2020 pour une réunion en personne avec le groupe conjoint. Le groupe conjoint a constaté que Maurice avait réalisé des progrès positifs et tangibles pour 53 des 58 actions recommandées. Nous ne nous arrêterons pas en cours de route. Je reviendrai à ce sujet dans quelques instants.

M. le président, en s'appuyant sur une industrie résiliente des services financiers et sur son rôle vis-à-vis investissements transfrontaliers dans les économies émergentes, Maurice s'est forgé une réputation de choix, en tant que centre financier international de substance. Comme vous le savez, notre secteur des services financiers, qui est l'un des piliers de l'économie mauricienne, a connu un taux de croissance supérieur à 5% au cours des quatre dernières années. Il a contribué en 2019 à 11,8% du PIB et emploie directement plus de 13,500 professionnels. Maurice est reconnu comme un centre financier de premier choix pour un grand nombre de fonds d'investissement internationaux, d'actions privées et de participations. Cela s'explique en grande partie par la sophistication de notre offre de produits et de services, ainsi que par un écosystème approprié tissé autour des autorités compétentes en la matière, d'opérateurs chevronnés et d'infrastructures commerciales, bancaires et technologiques développées.

La stabilité et le climat des affaires de notre juridiction dégagent un sentiment de confiance qui est naturellement apprécié par la communauté internationale des investisseurs. Ce sentiment doit être renforcé à la lumière des leçons que nous pouvons tirer de la pandémie

de la Covid-19. Notre juridiction est réputée pour sa prévisibilité et sa résilience. Il nous faut persévérer dans cette direction.

Nous sommes devenus un tremplin de croissance pour les banques, les prestataires de services aux entreprises, les gestionnaires de fonds et d'actifs, les courtiers et les compagnies d'assurance de renom. Le financement transfrontalier et notamment les investissements stratégiques offrent une panoplie d'opportunités, en particulier en Afrique, qui mérite toute notre attention.

M. le président, la vision du gouvernement est de consolider la position de Maurice comme une plate-forme idéale pour l'investissement et la domiciliation de richesses en Afrique, alors que le continent continue son ascension en tant que carrefour des affaires. Les possibilités qu'offre notre juridiction pour les entrepreneurs et les investisseurs internationaux sont un atout indéniable. Il convient de noter que les investisseurs internationaux prennent déjà largement appui sur la plate-forme mauricienne pour investir en Afrique. Ce faisant, ils contribuent de manière significative à l'augmentation substantielle de la prospérité sur le continent, ainsi qu'à la création d'emplois, au développement socio-économique et à la réduction de la pauvreté.

En tant que pays africain, Maurice est fière d'avoir été reconnue par le Rapport sur l'Investissement dans le Monde 2019 de la Conférence des Nations Unies sur le Commerce et le Développement comme étant à l'avant-garde de la promotion d'investissements de qualité en Afrique.

Fin juin 2018, la valeur totale des investissements en Afrique via Maurice s'élevait d'ailleurs à 36,4 milliards de dollars. Pour mieux saisir cette réalité factuelle, l'*Economic Development Board* a commandé une étude à une société indépendante de renommée internationale à cet effet. Cette étude permettra de mettre en évidence la valeur actualisée du centre financier mauricien pour l'Afrique en termes d'investissements de qualité.

M. le président, nous sommes particulièrement bien positionnés pour jouer un rôle stratégique de plate-forme reliant l'Afrique au reste du monde. Le gouvernement a ainsi adopté un certain nombre de politiques et de mesures innovantes afin de consolider le rang de la juridiction mauricienne comme le numéro un pour faire des affaires en Afrique. A cet égard, permettez-moi de rappeler que Maurice se classe en tête de liste d'un certain nombre d'indices internationaux et a même été classée à la première place dans le cadre des rapports *Doing Business*, *Global Competitiveness Index* et *Forbes Survey of Best Countries for*

Business de la Banque mondiale. Cette reconnaissance témoigne des progrès considérables que nous avons accomplis pour devenir une économie performante, inclusive et résiliente.

Plus important encore, en tant que juridiction intégrée au système international, nous avons été parmi les premiers à adhérer aux meilleures normes, pratiques et standards internationaux. Comme l'ont mentionné mes collègues de ce côté-ci de la Chambre, notre gouvernement a entrepris pléthore d'actions, et a réalisé des progrès substantiels et tangibles jusqu'à ce jour, pour se conformer aux dispositions de l'Union Européenne, du Groupe d'Action Financière et de son entité régionale, l'*ESAAMLG*.

Le gouvernement de Maurice adopte une approche ferme et travaille activement avec les organismes gouvernementaux concernés, les parties prenantes du secteur et le GAFI pour assurer l'achèvement rapide des éléments du plan d'action. C'est à ce titre que notre Premier ministre a pris un engagement de haut niveau pour résoudre rapidement tout ce qui pourrait être considéré comme un frein au développement du secteur de services financiers bancaires et non-bancaires à Maurice, tout en veillant à ce que les activités considérées comme des *Designated Non-Financial Businesses and Professions* soient en conformité avec les règles établies.

M. le président, les échéances qui se présentent sont claires. A cet égard, sous la direction du Premier ministre et en lien avec les comités et sous-comités déjà mis en place, le gouvernement active tous les leviers d'action à sa disposition, qu'ils soient d'un ressort institutionnel ou technique, pour accélérer la mise en conformité de la juridiction mauricienne.

J'ai d'ailleurs annoncé dans le Discours sur le Budget 2020/2021 les mesures suivantes pour se conformer, d'ici septembre 2020, aux cinq recommandations restantes du GAFI –

- une supervision basée sur les risques conformément aux recommandations du GAFI ;
- des programmes de sensibilisation ciblés pour promouvoir une compréhension claire des risques de blanchiment d'argent et de financement du terrorisme ;
- une augmentation de la déclaration des transactions suspectes ;
- des sanctions financières ciblées en cas de financement du terrorisme, et
- un accès en temps utile aux informations sur la propriété effective.

J'ai également indiqué la mise en place prochaine d'un tribunal dédié et spécialisé qui permettra de décupler notre efficacité dans l'implémentation de notre stratégie de lutte contre le blanchiment d'argent et de financement du terrorisme.

M. le président, ce nouveau projet de loi est une étape supplémentaire de notre parcours de lutte contre le blanchiment de capitaux et le financement du terrorisme.

Le gouvernement s'engage pleinement à faire face en sorte que notre cadre législatif soit conforme aux exigences internationales et est déterminé à démontrer par des faits, que Maurice est une juridiction fiable et de confiance.

M. le président, pour finir, je m'aventurerai à prévenir les membres de l'opposition, certains d'entre eux, qu'à force de cracher en l'air, ils finiront par se noyer dans leur venin.

Merci, M. le président.

Mr Speaker: Hon. Members, I'll break here for 30 minutes.

At 5.04 p.m., the sitting was suspended.

On resuming at 5.46 p.m. with Mr Speaker in the Chair.

Mr Speaker: Please be seated! Hon. Xavier Luc Duval!

(Interruptions)

There is an order given to me by the hon. Leader of the Opposition.

Mr Assirvaden: Mais vous avez dit que celui qui...

Mr Speaker: From the order list, I can see hon. Xavier Luc Duval.

Mr Mohamed: If there has been consultation, there is no objection.

Mr Speaker: Say it again, I couldn't...

Mr Mohamed: There has been consultation among ourselves and we have changed the order and that is why he is trying to catch your eye first. And I guess he has caught your eye since you are talking to him.

Mr Speaker: So, first of all, this order is not respected.

Mr Mohamed: No. We changed it.

Mr Speaker: So, you changed the order any time of...

Mr X. L. Duval: You said yourself that whoever catches your eye has the floor. This is what you said.

Mr Speaker: No. I said there are two indicative lists.

(Interruptions)

Mr X. L. Duval: No, you said...

Mr Speaker: No, no, no.

Mr X. L. Duval: whoever catches...

Mr Speaker: This...

Mr X. L. Duval: Let's go to the Hansard, you will see.

Mr Speaker: The ruling is the written.

Mr X. L. Duval: You said...

Mr Speaker: Cut short a long story. Are you taking the floor or not?

Mr X. L. Duval: ...replacing, he is speaking. I will speak in his place later on.

Mr Speaker: Okay. Go ahead.

(5.47 p.m.)

Mr P. Assirvaden (Second Member for La Caverne & Phoenix): Merci, M. le président, c'est gentil. M. le président...

Mr Speaker: But, excuse me, any time, the Leader of the Opposition should respect himself. He signed the list and gave it to me and whenever there are some changes, somebody should tell me. The Whip should tell me. Thank you.

Mr Assirvaden: Mais l'honorable Obeegadoo devait parler et ensuite j'ai vu l'honorable ministre qui parlait juste après. Bref. M. le président, merci pour la permission.

M. le président, nous sommes appelés à voter un projet de loi - the *Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill*.

La question qu'on se pose, M. le président: est-ce que c'est pas déjà trop tard? Est-ce que ce projet de loi ne vient pas à un moment où le mal est déjà fait. Il faut bien se dire que, si aujourd'hui nous sommes sur la liste grise de la *Financial Action Task Force* et la liste noire de l'Union européenne, c'est que, inévitablement, il y a eu des manquements pendant

les années écoulées ; il y a eu des manquements dans nos lois ; il y a eu des manquements dans la gestion de nos lois ; il y a eu des manquements dans l'indépendance de nos institutions. C'est pour cette raison que, aujourd'hui, le gouvernement présente ce projet de loi on dirait, nous, au sein de l'opposition, que mieux vaut tard que jamais car ce projet de loi, je suppose, en parcourant les 19 lois qu'on demande d'amender, va essayer de répondre à ce que l'Union européenne et la *Financial Action Task Force* préconisent comme manquements.

Mais je disais plus tôt, M. le président, que le mal est déjà fait. Le mal est fait car depuis 2015 à ce jour, il y a eu pas mal de violations de notre juridiction à l'île Maurice.

Qui a oublié, M. le président, et on ne peut pas occulter ce fait. Qui a occulté, M. le président, la présence sur le territoire mauricien du clan Dos Santos; Isabel Dos Santos et son époux qui étaient sur le territoire mauricien avec la bénédiction des autorités mauriciennes. Qui est ce clan ? Ce clan Dos Santos a créé à l'île Maurice cinq *management companies*. Ce même clan, qui a créé sur le territoire mauricien cinq *management companies*, gère en Angola un contrat de concessions minières où les milliards de ce clan étaient transférés dans des sociétés à l'île Maurice.

Alors que certains pays africains ne permettaient pas à ce clan, qui a dépouillé l'Angola, qui a dépouillé le peuple angolais de son argent nous ici à l'île Maurice, sous le regard de la *Financial Action Task Force*, sous le regard de l'Union européenne et les sociétés de notation internationale, nous permettons à ce que des personnalités peu crédibles s'implantent dans notre territoire en faisant un mal irréparable à notre juridiction.

Et quand vous écoutez, M. le président, le ministre angolais de la justice; quand le ministre angolais de la justice dit ceci à propos du territoire mauricien, il dit que l'étau se resserre autour de la fortune amassée par Isabel Dos Santos et son époux, le clan mafieux que nous, nous accueillons ici. Et le ministre continue. Il démentit toute vendetta contre le clan Santos. Ce qu'il dit - écoutez ça, M. le président : 'ce que nous voulons' Ça c'est le ministre angolais de la justice qui dit cela : 'ce que nous voulons c'est récupérer l'argent dépouillé du peuple angolais où qu'il soit dans le monde et tout porte à croire qu'à l'heure actuelle, nous sommes en 2019-2020, il faudra passer par l'*offshore* mauricien. Vous serez étonné que l'île Maurice, la juridiction mauricienne se retrouve sur la liste grise de la *Financial Action Task Force*, que nous soyons sur la liste noire de l'Union européenne. Non, M. le président.

Et ce qui est encore plus malheureux. Malheureusement, il n'y a pas que ça. En 2014, juste avant les élections générales, le gouvernement travailliste est au pouvoir. L'ancien

Premier ministre, le docteur Navin Ramgoolam, est en poste. Un certain Alvaro Sobrinho se pointe au *Prime Minister's office*. Il est reconduit diplomatiquement vers d'autres institutions. Il est refusé un rendez-vous malgré ses milliards et, tout à coup, après les élections générales de 2014, en 2015, revoilà le fameux Alvaro Sobrinho. Revoilà le fameux Alvaro Sobrinho qui demande deux fonds d'investissement à la banque de Maurice. La Banque de Maurice refuse d'octroyer deux fonds d'investissement à Alvaro Sobrinho. Surprise, le 27 août 2017, ce gouvernement le MSM et le ML au pouvoir et vous serez étonnés que nous soyons sur la liste grise ou la liste noire, la *Financial Service Commission* se réunit un samedi matin. En quinze minutes, la *Financial Service Commission* octroie deux fonds d'investissement à Alvaro Sobrinho ; ce même Alvaro Sobrinho qui est recherché en Angola, qui est poursuivi au Portugal.

Je n'ai pas besoin ici de parler des villas de Royal Park distribuées ici et là, les limousines d'Alvaro Sobrinho distribuées, partagées avec les proches du pouvoir et les fonctionnaires. Et vous serez étonné que nous soyons sur une liste grise ou une liste noire ! C'était un peu normal, nous sommes surveillés par des sociétés de notation internationale. Et qu'est-ce qui se passe, M. le président ? En 2016, 2017 et 2018, ce gouvernement était en place. Le tapis orange est déployé. Le *VIP lounge* de l'aéroport est ouvert pour permettre aux clans Alvaro Sobrinho d'entrer dans le pays, de se servir du pays, de se servir de leur juridiction Mauricienne, avec ses milliards. La mafia Alvaro Sobrinho, il faudra l'accepter quelque part. Il faudra l'accepter. Alvaro Sobrinho a fait du mal à la juridiction mauricienne quand ce gouvernement était en place. Alvaro Sobrinho s'est permis d'infiltrer les plus hautes sphères de l'Etat. Je ne dis rien de faux en disant cela. Alvaro Sobrinho s'est permis d'infiltrer la Présidence de la République, la plus haute instance politique du pays. Et vous serez étonné qu'aujourd'hui, la *Financial Action Task Force* nous surveille, nous sommes sur une liste grise ! Vous serez étonné que nous sommes sur la liste noire de l'Union européenne ! Vous serez étonné que quand le Premier ministre dit il y aura une conversation téléphonique avec le Commissaire Michel, rien ne sort de cela ! Et vous serez étonné, M. le président, de ça ? Non ! L'opinion publique, l'international nous surveille et cela a causé la démission de l'ancienne présidente de la République suite à cette affaire. On nous demande aujourd'hui de voter des projets de loi pour améliorer notre arsenal légal, pour améliorer nos lois, je peux comprendre, mais il suffit que l'implémentation de nos lois se fasse comme il faut. Il suffit que nous ayons l'indépendance de certaines institutions. Qu'est-ce que vous allez expliquer aux sociétés de notation internationale ? Qu'est-ce que vous allez expliquer à

l'Union européenne, au *Financial Action Task Force* si dans un gouvernement, alors que nous avons autant d'institutions, la *Financial Service Commission*, la *FIU*, l'*ICAC*, la Banque de Maurice, un investisseur vient dans notre pays, rempli de soupçon, *not less than a Deputy Prime Minister* affirme qu'il a regardé Alvaro Sobrinho dans les yeux et il a déterminé que ses milliards sont propres ? Vous pensez, M. le président, que ces sociétés de notation, l'Union européenne, elles vont gommer tout ça quand, au sein même de votre gouvernement, un numéro 2 d'un gouvernement affirme qu'il vise la crédibilité d'un investisseur en le regardant dans les yeux ?

M. le président, on nous demande d'amender the *Bank Act*, clause 2, je suis parfaitement d'accord qu'il faut amender nos lois pour améliorer le système. Je suis parfaitement d'accord qu'il nous faut améliorer l'arsenal légal pour fermer tout ce qu'on peut appeler les *loopholes* dans nos lois. C'est vrai, pour qu'on puisse sortir de cette liste noire et de cette liste grise. Je suis d'accord. Mais Personne ne dit absolument rien quand dans la juridiction mauricienne, dans une banque R 7 milliards disparaissent sans enquête, sans sanction, sans coupable. Vous vous posez la question, le pourquoi de l'amendement que nous préconisons aujourd'hui. Quelle réponse on va donner aux gens qui nous regardent, qui nous surveillent, les sociétés de notation internationale? Quand un ministre des Finances en place avoue, devant tout le monde - il est ministre des Finances, il avoue qu'il s'adonne ou il veut s'adonner au trafic de l'or à la hauteur de R 40 millions, quelle crédibilité vous donnez à la juridiction mauricienne quand un ministre des Finances en poste se permet des actions pareilles ? Quelle crédibilité donnée aux sociétés de notation internationale quand un ministre de la Justice, un *Attorney General* ait pris la main dans le sac dans l'affaire 'Bet365'? Il n'était pas bête. Il préparait une structure pour le blanchiment d'argent. M. le président, il faudra bien que nous soyons crédible et qu'on ait une cohérence, une constante dans ce que nous voulons faire, M. le président. Nous sommes aujourd'hui sur cette liste noire, grise - je ne sais plus moi-même - pourquoi ? Parce que les structures en place à l'île Maurice n'ont pas marché. Pourquoi ? Parce que la *Financial Services Commission* n'a pas fait son travail comme il faut. Il ne faudra pas blâmer les gens de l'Union Européenne. Il ne faudra pas blâmer la *Financial Action Task Force*. Pourquoi cela n'a pas marché ? Parce que nous avons ici des structures. L'*ICAC* est déjà là. L'*ICAC*, l'*Independent Commission Against Corruption*, l'indépendance de l'institution. Mais où est l'indépendance de l'institution ; l'*ICAC* qui est au-devant de l'actualité ces jours-ci ? Quand nous avons vécu

cela, il faut bien le dire. Qui a oublié ce volte-face de la direction de l'ICAC par rapport au *case Medpoint* ? Qui a oublié?

Mr Speaker: You are going outside the debate. Come back to the Bill!

Mr Assirvaden: Yes, on the Bill! Yes, ICAC on the Bill. I am talking about Clause 19. Pourquoi l'ICAC, M. le président ? L'ICAC est concerné. Oui, justement, pourquoi l'ICAC ? Alors que nous savons très bien et cela était écrit. Pourquoi l'ICAC de Navin Beekarry, nommé par le MSM ? On est en 2016, 2017, 2018, c'est pour cette raison que nous sommes sur cette liste, M. le président. Vous paraissez être d'accord avec moi. Nous sommes sur cette liste, M. le président, parce que l'ICAC avait refusé initialement de déposer devant le *Privy Council* pour ensuite se raviser en novembre dernier. Donc, je parle de quelques années de cela, dans un document, l'ICAC donne la raison à la Cour suprême qui avait acquitté le Premier ministre et démontre son désaccord sur 4 *grounds of Appeal*. C'est très intéressant ce que je dis, M. le président. Le bureau du DPP, pour se faire, l'ICAC se contredit. Voilà...

(Interruptions)

Mr Speaker: Hon. Member, you are going outside the debate! This is Anti-Money Laundering!

Mr Assirvaden: Yes. It is ICAC.

Mr Speaker: ICAC is an independent Commission.

Mr Assirvaden: Yes, ICAC.

Mr Speaker: A case in the Court, Supreme Court and even went to the Privy Council.

Mr Assirvaden: Je cite ...

Mr Speaker: So, we cannot comment on that.

Mr Assirvaden: ... comment la crédibilité. Voilà la crédibilité ! C'est pour cette raison que nous sommes sur cette liste, M. le président. Oui, je sais, je suis d'accord, ça fait un peu mal, d'accord. Mais c'est ça. C'est avec une déconcertante facilité ce qu'elle avait déclaré dans son *written submission*. Pour vous dire donc, la crédibilité de l'indépendance de l'institution. C'est de ça que je parle, M. le président. Et c'est pour ça.

(Interruptions)

J'ai encore mon temps ! C'est bon ! C'est pour cette raison, M. le président, qu'on se retrouve sur cette liste. Je ne veux pas entrer dans les détails, je sais vous n'allez pas aimer.

Mr Speaker: Thank you very much!

Mr Assirvaden: Les détails de ce qui se passe, M. le président, je sais. Parce qu'aucun proche du pouvoir n'a été poursuivi comme il fallait par l'*ICAC*. C'est ça la crédibilité. C'est pour cette raison aujourd'hui que l'ONG, les syndicats, l'opposition, la société civile, la *Financial Action Task Force*, même l'Union européenne remet en doute l'indépendance et la crédibilité de certains institutions, M. le président. Mais il n'y a pas que ça. Il y a aussi les nominations. Il y a des hommes et des femmes qui font les institutions. Est-ce que vous ne pensez pas que les sociétés de notation étrangère, elles ne surveillent pas, elles ne veillent, elles ne regardent pas ce que qui nous nommons à certains postes de responsabilité ? Si aujourd'hui nous sommes dans la situation où nous sommes, sur la liste grise et la liste noire, et le ministre est obligé de faire venir au Parlement un projet de loi pour renforcer nos structures légales. Oui, amender 19 lois, on est d'accord, parce qu'il y a un manquement quelque part. Mais l'institution, il faut bien se poser la question – je ne me rappelle plus qui, un honorable membre faisait référence à cela - est-ce qu'il suffit d'amender les lois et nous allons sortir de cette liste ? Je me pose la question. Est-ce qu'il suffit d'amender 19 lois, l'Union européenne sera satisfaite ? Est-ce qu'il suffit d'amender 19 lois et la *Financial Action Task force* va nous enlever de la liste grise ?

Il faudra savoir, M. le président, pendant ces trois/quatre dernières années, la *Financial Service Commission* a été dirigée par qui pour que nous nous retrouvions sur cette liste ? Qui est aujourd'hui la *Financial Service Commission* ? A mon avis, est au centre de nos préoccupations, est au centre de nos problèmes, la cause majeure de nos soucis au niveau international. Qui a été le *CEO* de la *Financial Service Commission* depuis 2017 à ce jour ? Celui qui aujourd'hui est le *Governor* de la Banque de Maurice. Pendant trois ans/quatre ans, vous nous emmenez sur la liste grise, vous nous emmenez sur la liste noire, vous êtes promu en tant que gouverneur de la Banque de Maurice.

(Interruptions)

Mr Speaker: Hon. Member! He is doing very well, don't interrupt him!

(Interruptions)

Mr Assirvaden: Cela fait mal déjà!

(Interruptions)

Mr Speaker: You want the floor, hon. Member!

Mr Assirvaden: Pour vous dire, M. la président, la qualité des hommes et des femmes, que nous nommons en certains postes de responsabilité, est suivie au niveau international, est suivie au niveau de la *Financial Action Task Force*, est suivie au niveau de l'Union européenne. Rien de méchant !

L'honorable ministre des Finances, mon ami, il est aujourd'hui ministre des Finances. C'est sans méchanceté. Depuis 2018 à ce jour, il a été le Chairman de la *Financial Service Commission*. Après trois ans/quatre ans, nous nous retrouvons sur une liste grise et noire. Il a été le *Deputy First Governor* de la Banque de Maurice, aujourd'hui ministre des Finances. Vous croyez que ces personnalités de l'Union européenne ou de la *Financial Service Commission* ne sont pas au courant ? Il faudra, M. le président que nous ayons plus de crédibilité pour pouvoir convaincre l'Union européenne et autres sociétés de notation internationale.

Comme un malheur n'arrive jamais seul, au moment de cette tempête, où nous faisons face à beaucoup de questions sur notre volonté politique, pour combattre la corruption, pour combattre le blanchiment d'argent, tombant du ciel, St. Louis nous envoie le St. Louis Gate. R 700 millions, M. le président !

Vous savez, l'ancien *Deputy Prime Minister* a été révoqué. Je ne suis pas de ceux qui frappent encore. Nous avons demandé sa démission, il a été révoqué. Je me permettrais, même si nous ne croyons pas dans l'Indépendance de l'*ICAC*, il y a une enquête en Cour. Je dirais simplement ceci sur le St. Louis Gate. Il faudra que le gouvernement fasse preuve de plus de crédibilité pour pouvoir convaincre, non pas l'opposition, non pas l'opinion publique, non pas les journalistes, mais pour convaincre les sociétés de notation étrangère, l'Union européenne et la *Financial Action Task Force*. Pourquoi je le dis, M. le président.

Si aujourd'hui nous avons affaire à ce St. Louis Gate, j'ai écouté attentivement l'honorable Premier ministre répondre à la *PNQ* de ce matin, on fait comme si on oublie qui a nommé, pas l'actuel, l'ex-*Board* du *CEB* depuis 2015. Ce gouvernement ! Qui a nommé le *General Manager* qui a été révoqué, qui a été suspendu ? Ce gouvernement ! C'est ce gouvernement qui a dû révoquer son propre ministre de l'Énergie. C'est ce gouvernement qui est en place depuis 2014, fin 2014-2015, quand le scandale éclate au visage de ce gouvernement, alors qu'on nous demande, M. le président de voter de lois, je peux

comprendre, bien sûr, de voter des lois. Mais aujourd'hui, ce gouvernement doit faire preuve de crédibilité, de bon sens, en se disant, 'oui, nous avons été touchés par le St. Louis Gate, le scandale, alors que nous sommes au pouvoir depuis six ans'.

Il est trop facile de dire, oui, de votre côté, de l'opposition, du Parti travailliste, du MMM. Non, vous allez pouvoir duper les gens, la population peut-être, avec la MBC, mais pas les gens de la *Financial Action Task Force*, pas les gens de l'Union européenne. Parce que, eux, ils savent qui est au pouvoir depuis 2015, qui sont ceux qui ont nommé ce *Board*, qui n'a jamais mis l'affaire à l'*ICAC*, qui sont ceux qui ont nommé le *General Manager* qui a été suspendu, qui sont ceux qui nommé le Chairman. Ce gouvernement, le Cabinet approuvé ! Et aujourd'hui, vous vous dédouanez. Non ! Aujourd'hui, non, ce n'est nous ! Nous révoquons l'honorable Collendavelloo et l'affaire est close. Non ! Et quand j'entends le Premier ministre vient dire que le document qu'il a eu de la Banque Africaine de Développement, un document confidentiel que je peux comprendre, qu'on a refusé initialement de donner à l'*ICAC*, mais qui a été montré à une seule personne, outre le Premier ministre, à l'honorable Collendavelloo. Je me pose la question. Je dis bien encore une fois l'honorable Collendavelloo est assez grand, assez intelligent, pour se défendre. Mais, oui, oui, je sais. Oui, mais, il faut bien se dire, M. le président, où est l'Indépendance des institutions ? Pourquoi une seule personne, alors que c'est confidentiel. Si vous montrez le document à une deuxième personne, ce n'est plus confidentiel.

(Interruptions)

Exactement! Donc, c'est pour cette raison que nous demandons une Commission d'enquête, M. le président.

(Interruptions)

Nous demandons une Commission d'enquête.

Donc, je vais terminer dessus, M. le président, vous sentant un peu angoissé. M. le président...

(Interruptions)

Mr Speaker: Don't embarrass yourself!

Mr Assirvaden: *Yes, yes.* Je vois, je vois qu'il est embarrassé bien sûr.

M. le président, si aujourd'hui l'Inde, qui nous a soutenus pendant des années, commence à prendre ses distances de notre juridiction, suivi du Sénégal. Le 27 mai de cette

année-ci, le Sénégal prend ses distances de la juridiction mauricienne. La Zambie, le 23 juin de cette année-ci, prend ses distances avec des accords de double imposition. C'est que nous sommes, M. le président, peu crédibles. Je veux dire la juridiction mauricienne est peu crédible. Je reviens au point de départ de mon discours pour terminer. Ces projets de loi ne vont pas suffire, malheureusement. Je le souhaite de tout cœur pour que nous puissions sortir de cette liste. Mais ces projets de loi ne vont pas suffire s'il n'y a pas l'implémentation de nos lois, s'il n'y a pas l'Indépendance des institutions, s'il n'y a pas la crédibilité de ceux que nous voulons nommer, malheureusement.

Merci, M. le président.

Mr Speaker: Hon. Minister Obeegadoo!

(6.15 p.m.)

The Deputy Prime Minister, Minister of Housing and Land Use Planning, Minister of Tourism (Mr S. Obeegadoo): Mr Speaker, Sir, I am intervening a little bit earlier, courtesy of my friend, Mr Duval, but that is fine.

I would like to observe, Mr Speaker, Sir, that our country is, indeed, going through trying times. These are trying times for our country and for the Mauritian economy. Just before Mauritius was hit by the COVID-19 hurricane, we received the major blow in February of this year, when the Financial Action Task Force placed Mauritius on its list of jurisdictions on the increased monitoring. And as if that were not enough, in May, while our economy was still reeling from the effects of the COVID-19, induced global crisis.

The European Union taking the cue from the Financial Action Task Force listed us as a high-risk third country. Now, the implications and the potential consequences of that decision can hardly be overstated. Need I recall that the Financial Services Sector represents some 11.8% of our Gross Domestic Product, of which global business represents nearly 6%? Need I recall the contribution of the global business sector to the GDP which has produced a year-on-year growth of around 4% in 2019? The Financial Services Sector, inclusive of global business, employs today around 12, 000 Mauritians.

Mr Speaker, Sir, far from the partisan blinkers of the hon. Member for Constituency No. 2 who intervened earlier, I have no hesitation to acknowledge that successive Governments over the years have facilitated the emergence of Mauritius as an international financial centre. And since 2018, the present Prime Minister has resolutely pursued efforts to bring our Anti-Money Laundering and Combatting the Financing of Terrorism Regime in line

with international standards, which as the House is aware, are constantly evolving. To quote but one example; in 2019 under the present Prime Minister, the then Government enacted the United Nations (Financial Prohibitions, Arms Embargo and Travel Ban) Sanctions Act. Mauritius thereby introduced legislative provisions to implement the UN Sanction Regime and as a direct result of which Mauritius was rated compliant with Recommendation 6, which is one of the Financial Action Task Force's Big Six Recommendations.

Yet the threat posed by the listing of Mauritius by the Financial Action Task Force and more specially the European Union, brings into being a danger that is both real and imminent in terms of the real economy and this is at a time when foreigners represent some 30% of trading on the stock exchange of Mauritius; at a time when globally foreign investors are withdrawing from emerging markets; at a time when on our own stock exchange, as a result of COVID-19, market capitalisation has decreased by some 30%. These are trying times indeed and the justification of the decisions of the Financial Action Task Force, and more especially of our friends of the European Union remains very debatable, more especially given the Financial Action Task Force's own 21 February public statement acknowledging the efforts of Mauritius to implement the Recommendations of the 2018 Mutual Evaluation Report and our constant efforts over the years to revise, update and strengthen the Anti-Money Laundering and Combatting the Financing of Terrorism legal framework and institutional set-up. My colleague, the hon. Minister of Industrial Development earlier expressed, in very forceful terms, the sense of injustice and of unfairness, the strength of feeling, in fact, felt across our Financial Services Sector.

For indeed, Mr Speaker, Sir, Mauritius has played an important role to channel capital and Foreign Direct Investment to major economies over the last 25 years. Tens of thousands of investors have chosen Mauritius over the years as an international finance centre to conduct their business. And over the years, Mauritius has built up a strong reputation as an international financial centre. Moreover, since long, we have thought to comply with international standards in terms of Anti-Money Laundering and Combatting the Financing of Terrorism, in fact, ever since the FIAMLA in 2002. And the cause for concern actually to those who assess us has had more to do with implementation. But let us recognise that tackling money laundering and terrorism financing is a complex matter. As the global economy becomes more and more technology-driven and complex, so do illegal activities in the face of which our resources remain limited, very limited. That is precisely the reason why the Financial Action Task Force revised its Recommendations in February 2012 and set the

tone for countries around the world to adopt a risk-based approach to combat money laundering and terrorism financing. Such an approach allows countries to better make use of their resources and focus their resources, their interventions on high-risk areas. To be able to implement a risk-based approach, countries must first identify, assess and understand the money-laundering and terrorism financing risks they face at national level.

In that respect, Mr Speaker, Sir, Mauritius successfully completed its first National Risk Assessment exercise and published the related report in August 2019. For a long time, Mr Speaker, Sir, our institutions have investigated and prosecuted blue-collar crimes, then white-collar crimes and now we are in the age of digital crime. Accordingly, and the Leader of the Opposition is right here, we must keep on investing in our institutions to ensure that our workforce has necessary skills and tools to support the efforts to combat money laundering and terrorism financing.

With the support of the EU funded Anti-Money Laundering and Combatting the Financing of Terrorism Global Facility and the German Development Agency, the capacity of our law enforcement agencies is being enhanced. Apart from the technical skills to plan and execute complex investigations, Government is leaving no stone unturned to provide the requisite information technology infrastructure and logistics for the law enforcement agencies to effectively carry out their investigations.

Now, this Bill proposes to address subsisting challenges to enable our law enforcement agencies to discharge their investigative functions efficiently. Nonetheless, given the grave threat to its financial sector and to its economy, the past efforts and achievements of the State of Mauritius are insufficient. The goalposts keep changing and being given appropriate notice by our friends, or even the right to a fair hearing from our friends can no longer be taken for granted as recent experience indicates. We have no choice but to endeavour to achieve delisting by the European Union and the Financial Action Task Force as soon as possible. To that end, Government has ensured coordinated and collaborative efforts of all key players and close and timely monitoring of efforts to give effect to the Mutual Evaluation Report and the Financial Action Task Force Action Plan Prescriptions. To indicate the importance Government attaches to this task, it is good for the House to know that the Prime Minister is directly and actively involved in the process as he steers a Ministerial Committee comprising all concerned Ministers including my colleagues in charge of financial services, finance, foreign affairs and the Attorney-General. Mauritius is a clean jurisdiction and we are acting resolutely to protect our image and reputation.

The Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill 2020 should be viewed in that precise context. The Bill, as explained by my colleague the Minister for Financial Services, focuses on the vex issue of designated non-financial businesses and professions, the regulation of which raises very real challenges. The Bill moreover amends no less than 18 pieces of legislation. It is but one of many initiatives on the way, including the Real Estate Agents Bill that I proposed to bring before the House in the near future. Indeed, when Mauritius underwent its national risk assessment exercise last year, the real estate sector was identified as a medium risk sector. And I would like to inform the House this evening, Mr Speaker, Sir, that my Ministry will very shortly come up with a Real Estate Agents Authority Bill with the aim of establishing a Real Estate Agents Authority to act as an independent regulator.

Government will continue to work relentlessly with all stakeholders, including the private sector, the designated non-financial businesses and professions, players, the financial institutions and all supervisory bodies to ensure that we deliver on our commitment and meet international standards at all times. But, what does the Opposition have to say about all of this?

The Leader of the Opposition referred *en passant* to the political failings of Mauritian Diplomacy, if I heard him right, but I must say overall he managed to rise above party politics. I cannot say as much for the hon. Member for Constituency No. 2 for whom the problems only arose as from 2016. But, Mr Speaker, Sir, does my friend know, does he realise that between 2005 and 2016, I am told, without being an expert in this field, that there was not a single amendment brought to laws concerning anti-money laundering? 2005 to 2016, you might go and check.

I also listened without interrupting hon. Assirvaden, who very predictably offered an indictment of the Government, consistent as always, but without a single word about anti-money laundering. But I expected no less and no more. It was entirely predictable.

Mr Speaker, Sir, the stakes today are very high. Our financial services sector has so far being resilient to the COVID-19 shock, but the danger now posed by the Financial Action Task Force and EU Listing; the danger is now here for real. This is the time to show patriotism, that patriotism which has been so noticeably lacking from the Opposition during the COVID-19 period. Now, is the time to react. Now,...

(Interruptions)

Mr Speaker: Order! Order!

The Deputy Prime Minister: ... is the time to react as one, as one people, as one nation in the face of the danger from abroad, for patriotism, Mr Speaker, Sir, should be directly proportional to the magnitude of the threats, we face as a nation, surely.

Just as it was the case for COVID-19, I am sorry to say the occurrence of the EU Listing of Mauritius has given rise to the same petty mindedness of the Opposition trying to score party political points and their attitude, today, in this House, testifies to what I am saying. The walkout earlier, today, smacks of a deliberate attempt to prevent the proper functioning of our parliamentary democracy. How many walkouts of the Opposition have there been since the new National Assembly sat for the first time? I would dare say there have been as many walkouts as there have been sittings.

(Interruptions)

Mr Speaker: Hon. Minister, come to the debate!

(Interruptions)

The Deputy Prime Minister: Mr Speaker, Sir, this Bill rises in the context of a serious threat to the country and what have we seen, if not the constant undermining of Government's efforts to face up to the myriad of threats and dangers facing our country. That, Mr Speaker, Sir, is undeniable.

Do you know, Mr Speaker, Sir, I first entered this House in 1991, after a general election won by the MSM/MMM, the regularity of which was immediately contested by the Labour Party and PMSD, same old story. But never have I witnessed an Opposition so united in its inability to accept and draw lessons from its dismal performance in the last election.

This Bill before us, Mr Speaker, Sir, calls for patriotism. Never have I witnessed an Opposition so united in its party political, fanaticism, so united...

(Interruptions)

Mr Speaker: Hon Bhagwan! Hon Bhagwan!

The Deputy Prime Minister: ... in its obsession to question each and every action of Government,...

(Interruptions)

Mr Speaker: Order!

The Deputy Prime Minister:so united in its demagogic readiness to pounce on each and every difficulty facing the country, be it COVID-19 or EU Listing.

(Interruptions)

There is now a need for the country to stand united, to stand as one when danger looms, but, unfortunately, the word ‘patriotism’ appears to be a word that is totally absent from the vocabulary of the Opposition.

Mr Speaker, Sir, as we pause today to vote this Anti-Money Laundering and Combating the Financing of Terrorism Bill, I would like to remind the Opposition that history’s judgement, when it comes, is merciless. I would invite the Opposition to ponder what history’s judgement as to their action and attitude is likely to be. History’s judgement of their attitude at a time when our country faces unprecedented odds will be unappealable.

For our part, Mr Speaker, Sir, we stand as one in our determination to rise up to the challenges whenever they may come from and to rise up as one to fulfil our responsibilities to our country and to our people. Allow me to commend, my colleague, the Minister for Financial Services and Good Governance for his total dedication to his difficult task and for the present Bill. Let me assure him and the House that whatever the odds, we shall prevail and Mauritius shall succeed.

Thank you, Mr Speaker, Sir.

Mr Speaker: Hon. Xavier-Luc Duval!

(6.34 p.m.)

Mr X. L. Duval (Third Member for Belle Rose & Quatre Bornes): Mr Speaker, Sir, let me firstly commend speakers on the Opposition benches for their really excellent speeches we have had so far. It would appear to me that from what the Government says, from what the Opposition says, the goals are the same. We all want to protect our country and get out of the famous black list. First, we need to get out of the famous grey list; that is what we want.

But the approach, Mr Speaker, Sir, seems to be diametrically opposite. We don’t believe that the mere fact of changing laws and then not applying them will be sufficient or capable of fooling the European Union or the Financial Action Task Force.

We, on this side of the House, believe that implementing laws, laws that already exist for the most part, although this Bill is a small step in the right direction, nobody is saying

otherwise on this side of the House, but the mere passing of laws will not change anything. What we need in this country is good governance, integrity in Government, institutional capacity to carry out and implement the laws. And it is not as if here, on this side of the House, we are making party political points. No! We are patriotic and we are saying to you: 'Listen, the nation at large is saying the same thing. Listen, the European Union is saying the same thing.' Do you know one of the reasons why we are on the black list of the European Union? It is because the European Union wants us to change; they are saddened by the decline of Mauritius in good governance, in integrity, in also combatting money laundering, etc. That is one of the reasons why we are on the black list. They are not our enemies. Some Members on the Government benches seem to think that these guys are enemies. They are not. I am sure that they love the Mauritian people, that they want Mauritius to succeed, and that is a wake-up call that the Financial Action Task Force and the European Union have actually put us on these lists.

Mr Speaker, Sir, before I start on my speech itself, I listened to the Minister of Finance previously, and also, obviously, he was Chairman of the FSC since 2018. The problem with the hon. Minister of Finance, he has one speech to fit all circumstances. Every single Bill that comes, it is the same speech that comes up, whereas we need him to innovate, please, in terms of speeches. And do you know what image came to my mind, Mr Speaker, Sir, when the hon. Minister of Finance was speaking? I was thinking of the band playing on the Titanic. The Titanic was...

Mr Speaker: Come to the Bill!

(Interruptions)

Mr X. L. Duval: What, answering him is not the Bill?

Mr Speaker: The Bill is from another Ministry.

Mr X. L. Duval: Yes, I am answering the previous speaker. What's your problem?

Now, it reminded me of the sinking of the Titanic and the band playing soft music to the ears of the passengers that were just about to die and they died in thousands, and that is, Mr Speaker, Sir, what I had to say about the previous speakers.

As far as the Bill is concerned, I have four words to summarise it: too little; too late; actions or inactions of this Government and, obviously, the one absolutely preceding it have not responded to the real needs of the country at a time when things were changing around

the world. Now, Mr Speaker, Sir, in February 2020, when the Financial Action Task Force put us on the grey list, that should have woken the Government up, should have told them that things were desperate, but, three months later, on 07 May 2020, we ended up on the EU black list. That was a real tsunami for our financial sector. But you have to ask yourself, in these three months, what exactly did the Government do when they took cognizance of the Financial Action Task Force grey list formally until 07 May? Three months later, what exactly did the Government do? Because everyone was saying, at the time, that the grey list would end up with the EU black list. So, as the hon. Leader of the Opposition and previous speakers before me have said, what did the Government do to engage the European Union, after publication of the grey list, to avoid us being on the black list? They waited apparently to be consulted, but they were not consulted. But they should not have waited to be consulted because it was obvious what took place in the Financial Services Sector that we would be sanctioned by the EU, following the FATF grey list. And I believe that the only thing that the Government did - I think the Minister of Financial Services, if I am not wrong - was meeting the EU representative in Mauritius. That is the only thing they did; they had a meeting here in Mauritius, whereas, Mr Speaker, Sir, immediate and urgent actions should have been taken to engage our friends in the European Union to ensure that our objections to the FATF grey list would fall on friendly ears. And you must ask yourself also, Mr Speaker, Sir, what friends does Mauritius have nowadays? There used to be a time when, either on the Financial Action Task Force where you have the USA, you have the UK, and Europe now you have France, these used to be our very, very good friends. We would knock on the door of Matignon and we will be received and we will be heard. What has happened to this diplomacy, that for three months, from February 2020 to May, none of these actions were taken? And you say there was COVID-19 from March, but there is also the internet. How many friends does this Government have in the right places? Probably, Mr Speaker, Sir, zero! And we end up now with Germany as our champion in Europe whereas Germany has no cultural or historic relations with Mauritius. We have seemingly lost all our good friends of previously, and I tell you, Mr Speaker, Sir, that a Government that had nurtured its relations would not have ended up where this Government has ended and landed the country.

Mr Speaker, Sir, the inability of the Government to protect the reputation of this country as from the last elections – I will take the Alvaro Sobrinho affair from a different point of view. Mr Speaker, Sir, I raised a number of PNQs on the Alvaro Sobrinho affair. I warned the Government. I quoted, at that time, Section 6 of the Financial Services Act, the

functions of the Financial Services Commission, which was to “maintain the good repute of Mauritius in the financial services sector;” And I said also that, according to Section 20 of the Financial Services Act, the Financial Services Commission had no right; it was illegal for it to give a licence to Mr Sobrinho, not because he may or may not have been sentenced to anything or found guilty, but, purely and simply, because his reputation, character and financial integrity and reliability were not established. Section 20 clearly states that Mr Sobrinho, at that time, was not a fit and proper person to be a licensee of the FSC. He had been accused of many things in Angola, his assets have been seized in Switzerland and so on and so forth, and that should have been enough for the FSC to refuse a licence. Instead, Mr Speaker, Sir, under God knows what influence, under God knows what circumstances he was given even an Investment Banking Licence in Mauritius. And the only person who wanted to shed light on this was the previous President of the Republic. She ordered or wanted to order, although unconstitutionally, a Commission of Inquiry, and she was herself destituted and a Commission of Inquiry was appointed on her. Therefore, Mr Speaker, Sir, it is clear that, as things go, we will never know the truth about the Alvaro Sobrinho episode in Mauritius, but that is not all, obviously. Every week brings its own string of scandals and we are now with the St Louis and the Hyperpharm scandals. So, it is clear, Mr Speaker, Sir, that, as far as the functions of the Financial Services Commission is concerned, there was clear dereliction of duty over the years. Now, no doubt, all this was and is being followed closely by overseas countries. The inability of our institutions to operate independently - I think it was quoted this morning; the previous Minister of Financial Services, Mr Sesungkur, himself, he must know what he is talking about, he was for many years Minister of Financial Services and he himself admits that it is political interference which has caused *nos déboires*.

Mr Speaker, Sir, I’ll talk now about overseas. You see, a country has to protect its reputation. Just whenever anything bad is said about Singapore, immediately the Prime Minister, someone there reacts and puts things straight. In Mauritius, we had unfortunate episodes of the MauriLeaks’ revelations in July 2019, thousands of e-mails, etc., were put outside in the public’s sphere.

How did Mauritius react? Does anyone remember anything Mauritius did after MauriLeaks? Because we did nothing! In fact, we appointed a PR firm, so bad, that six months later their contract was cancelled and they were thrown out. They were an incompetent PR firm. Not only that, when their contract was rescinded, cancelled, a Committee, Private Sector-Public Sector, was set up and no decision ever came, and it was only when we ended up on the grey

list that, finally, Mauritius took a firm of lawyers at great expense, etc., to try and clean up our reputation.

It is not just a question of doing a branding exercise. Mr Speaker, Sir, the reputation of the country needs to be protected day in day out. And this is what I have to say: from now on, whenever anything untoward is printed on our country, tarnishing our reputation, whether it is in Africa, whether it is in India, whether it is in Europe, the Government has to react and counteract that. Not doing anything and just coming to the House here or on MBC is again a dereliction of duty. The Government has dragged its feet as far as protecting the reputation of Mauritius overseas, and if you read the overseas news, every week, for a long time now, there have been negative press on Mauritius.

The EDB was supposed to do a job, it didn't do it. Nobody, in fact, protected our reputation, even in India, and this is why we are here today on the grey list, on the black list and God knows what else is awaiting us. And, of course, Mr Speaker, Sir, every day, we have news of failings in our offshore sector, apparently Rs2 m., peanuts, by how it goes these days, USD2 m. embezzled from Zimbabwe and the debt in our offshore sector according to the Press. The Wire card scandal mentioned this morning. Total scandal involving USD2 billion, of which about a tenth, apparently, ended up in Mauritius.

These are, Mr Speaker, Sir, old things which I mentioned just now, which are tainting our reputation in Africa and in Europe. Again, I ask you now, what has been the response of Government regarding the Zimbabwe USD2 m.? Have you responded? Will you be surprised, tomorrow, if Zimbabwe gets upset with this? Will you be surprised? Wire card is in Germany, I think. Would you be surprised again? If you don't react, you just sit and do nothing and you are happy just to talk on the MBC. And so, Mr Speaker, Sir, there has been no campaign, no aggressive actions by Mauritius, internationally, to protect our reputation and that is why I say it is too little, too late.

Mr Speaker, Sir, I will not talk in detail about the provisions of the Bill, I will leave that to my other colleagues and I think hon. Khushal Lobine, etc., will deal with it. One thing though, I must say, the word crypto currency came up in a speech of the hon. Minister of Financial Services, but if you actually look at the Bill, you will not see anywhere mentioned crypto currency. Although, I do agree with him, as coming up in his speech but not in the Bill, that one huge loophole that will exist now and will, obviously, become worst in the

future, is the possibility of money laundering, of financing of terrorism using, would you believe, crypto currencies, of which there are about a thousand two hundred.

Now, we are told that if you have Rs2,500,000 in cash, that is, now, and it comes from a criminal offence, that will now come into the unexplained wealth or whatever, but surely you must also realise that cash now is *démodé*. What about crypto currency? I don't have the answer to that. I am not paid to get the answer to that; you are paid to get the answer to that. And this is why, Mr Speaker, Sir, this Bill leaves huge loopholes. Many things can be used for money laundering, especially crypto currency, and I hope that we will see, in the very near future, another Bill to deal with *les manquements de cette législation*.

But, Mr Speaker, Sir, again, as I mentioned, the problem that the European Union and FATF have mentioned, have again, in the words of the Minister of Financial Services himself, he has clearly said that there were no technical deficiencies. We were not reproached on any technical deficiencies, by which, I think, he means that it is not our laws that were deficient, it was the way that we were applying those laws, exactly as the Opposition has said up to now. So, no technical deficiencies and the response of Government has been to amend the law. Ok, it will make the work of the supervising institutions easier, no doubt about it. But that is not *où le bât blesse*; that is not the main issue. The main issue remains what the EU has said, Mr Speaker, Sir, that there were deficiencies in demonstrating supervisor's ability to implement risk-based supervision, law enforcement authorities not having the capacity to conduct complex money laundering investigations, not able to implement targeted financial sanctions.

So, it is old practice. Trying to take it back to 10-20 years ago doesn't work, Mr Speaker, Sir. If the Government realises and tells truthfully that the problem has been supervision, they will not only be commended by the Opposition because also they will be commended by the Financial Action Task Force and commended by the EU because, up to now, if I were the EU and the Financial Action Task Force, I can only conclude that the Government has not understood anything of the reason for being on the EU black list.

Now, Mr Speaker, Sir, when we talk about institutions, what do we mean? Institutions are only worth the people in charge and manning these institutions, that is, every problem is a people problem. Every issue can be resolved by sorting out the people issue. And this is why, Mr Speaker, Sir, back in the days of 2014, when we were still with the MSM, with *l'Alliance Lepep*, I had insisted that in the manifesto, "*gouverner pour le peuple*" that we had in there,

the original idea was to have a Select Committee to vet nominations. It ended up with *un comité special*, because so long, as we continue, Government after Government, appointing its political friends in key institutions, so long as we continue to do that and we don't realise that this country warrants better than what has actually happened now, and until and unless we set up a Select Committee of this House to vet all these important nominations in public like in the USA and in many places like Africa also, vet these nominations. That Mr Beekarry who left his post in Washington, USA, before even being appointed here in 2015 as Head of ICAC, we all know that.

These things, Mr Speaker, Sir, will be things of the past. We will give our country a chance to have the appropriate persons in charge of our institutions, be it the Bank of Mauritius, be it the ICAC, be it even the Commissioner of Police. Let us give a chance to our country. And just continuing as before will not fool anyone because as I say, Mr Speaker, Sir, the EU and the Financial Action Task Force are blaming us for implementation, and implementation is people. And people subject to political influence, and continuing to be subject to political influence, will not impress anyone. And it is not going to be easy to come out of the EU black list. We will have first, I think, to come out of the FATF grey list, and it will not be easy. We will have to demonstrate, I believe, that our supervision is working. How long do we have to demonstrate that it is working? Perhaps the Minister of Financial Services and Good Governance will tell us later, how long. One month, one week, six months, a year, two years? How long before we can convince the European Union that we have the capacity now to carry out investigations, that we have, Mr Speaker, Sir, the capacity to implement targeted financial sanctions. How long?

Therefore, Mr Speaker, because we are being tested, we need the right people in the right place, and this country will continue going down the drain. I use the words: 'continue going down the drain', because it is going down the drain. We will continue going down the drain unless and until we have the right people in the right place and a Select Committee of the House to vet nomination; a committee with Government majority, of course, but, at least, we can vet and there can be transparency in any nomination. We will not have people leaving their jobs in USA, coming here to start work at ICAC before even that the Government has appointed them.

So, Mr Speaker, Sir, I will continue. And also, Mr Speaker, Sir, let us look quickly at the procurement process. What has been the problem at the CEB, and many institutions? It is the procurement process. I was told last time by a seller of motor vehicles that even the Police

have targeted tenders for their motor vehicles. Even the Police Force meddled with the tendering process so that they can pick and choose on the supplier, apparently. And this has happened at the CEB also. Why? Can someone tell me? We all know, Mr Speaker, Sir, that the best way for a tender is to ask for tenderers to submit two envelopes; one envelope, a technical envelope, which we will assess, and a second one is a financial envelope; once you have assessed the technical, you assess the financial. Why does the CEB, in so many cases, only request one envelope, technical and financial together? Why? Nobody knows this on the side of the Government? Why does it do that? So, the procurement processes also in this country need to be changed, Mr Speaker, Sir.

Now, also, Mr Speaker, there is news at the FIU that there are dozens and dozens, if not hundreds of suspicious transaction reports, STRs which have been filed and for which there is no action taken. I cannot see anything here in the laws to deal with this and this is something, obviously, very serious.

Mr Speaker, Sir, things are changing in the world. Yesterday, François Fillon, previous Prime Minister of France, was sentenced to five years imprisonment, three years suspended, two years firm, as they say, and over Rs30 m., himself and his wife, Penelope, Rs30 m. of fine - unprecedented in France, unprecedented! Imprisonment for a previous Prime Minister, unprecedented! So, things are changing, and we must change with the current. We must move with the current. We need action to protect our reputation, nurture our reputation, I will say, and I mentioned before what we need to do.

As far as Africa is concerned, we launched, when I was Minister of Finance, major initiatives in Africa, but it is true that we are losing every day. I mentioned during the speech on the Budget, Mr Speaker, Sir, that, at that time, I think we had 13 DTAs left and that we should ourselves volunteer to the African Nations, to offer ourselves to amend any parts of the DTAs that offend their tax collection abilities and that this would be our way forward, Mr Speaker. But, unfortunately, now Zambia has renounced the Double Taxation Agreement, and I think more and more of this will happen and Rwanda is taking over from Mauritius, although Mauritius has so much to offer Africa other than taxation. And I would like to hear from the Minister of Financial Services and Good Governance afterwards that he has heard what the Opposition is saying; that we need a new approach to Africa, to convince the African friends, the Governments and the population that we are on their side and we are here to help them in the development of their country, Mr Speaker, Sir.

Mr Speaker, Sir, I will finish here; my 30 minutes are over or nearly over. What I will say is that this is a sad period for our financial services sector; so many thousands of people working and earning their living properly. It is now *en danger de mort* and we must act. We have, on this side of the House, given our best advice and the best knowledge to the Government. It will mean sacrifices on the part of Government. It will mean accepting independent evaluation, independent inquiries, independent persons in places key to what the Government is doing. But it will be at this sacrifice that this country will go forward and be able to overcome the terrible situation that we find ourselves in. It is not going to be an easy task. Changing a few laws here and there and not changing the persons that are meant to apply these laws will end up, Mr Speaker, Sir, with a long time on the EU black list and possible disaster for the financial service sector and for the economy as a whole.

Thank you, Sir.

Mr Speaker: Hon. Collendavelloo!

(7.03 p.m.)

Mr I. L. Collendavelloo (Third Member for Stanley & Rose Hill): Thank you, Mr Speaker.

We are in midway through the debates and we see the position. Government has a simple message: we must do everything to be delisted. The Opposition has a simple message: it must do everything in its vocal power to run down our country.

The speech of the last intervener is a glaring illustration of what I have just said. Everybody is bad, from the Governor of the Bank of Mauritius to the Commissioner of Police. Only they are good; they are the best! So, to the country and to the world, they say that they relish in these difficulties and, in fact, what is the meaning of that sentence of the hon. intervener before me: ‘we will continue to go down the drain’, ‘we wish the worst.’

When they say we wish the worst for this Government, no, the worst for this country, you remember the phrase: ‘à feu et à sang’? This is the agenda, and the population will have listened to the debate and will make their opinion.

I must say that out of all the interveners on the side of the Opposition, one voice, the voice of the Leader of the Opposition was out of phase with his minions - not millions, minions. At least, he rose above party politics and did not run down the country. Those who followed him were extraordinary in their comments about our country and about our financial

services sector. We do not agree with any of the criticisms made by the Leader of the Opposition, but, at least, he said it, in a true spirit of democracy and in a true spirit to preserve our country so that we go hand in hand, and I put it with the COVID-19; this time, no. Mr Speaker, Sir, what are we talking about? On 07 May 2020, a Communiqué emanated from the European Commission - and we can read it easily on the Website of the European Union – and it told us that three documents had been published. And it has got to be kept simple. The first document was what the European Commission called an Action Plan. It had devised a plan. I quote –

“... Strengthen the international dimension of the EU/AML/CFT...”

That is, Anti-Money Laundering; CFT, that is, against Financial Terrorism, and this, they said –

“by reshaping the rules relating to AML/CFT.”

That was the first point, in other words, setting down new rules. The second point was that the Commission had identified a new methodology. To identify high-risk Third Countries that had strategic deficiencies in their regimes of combatting money laundering and financing of terrorism. That is what they said. Nobody knew before 07 May that this was going to happen. When any institution contemplates making a finding against you, normally that institution would, at least, invite you to make representations; that was not made, they decided that the new methodology would be inspired from what the FATF and other institutions had proclaimed in previous times. For instance, they inspired themselves from certain findings of the FATF. These findings dated back to February, in other words, insofar as we are concerned, not taking into account the developments which had occurred between February and May. And this is how we came to be placed on a black list of the European Union being taken from a list of the FATF. Now, if we are taken from the black list of the FATF to be placed on the black list of the European Union, there is no problem, but we were not taken from the black list of FATF. We had been placed on an observation list of the FATF. To be taken from an observation list and be placed on a black list demands, at least, I would humbly suggest, some form of process. Now, I will read what we see at page 9 of the Regulation, which we read in the Communiqué –

“In February 2020, the FATF identified Mauritius as a jurisdiction having strategic AML/CFT deficiencies, for which Mauritius has developed an action plan with the FATF.”

So, what does it mean? It means that we are working and we are recognised as such, and I know that the Minister of Financial Services, together with the Prime Minister are working at that, for which Mauritius, I repeat, has developed an action plan with the FATF. Surely, working on an action plan cannot take us from an observation list to a black list. An action plan is to remove the deficiencies which had been earmarked. And then, the Commission states - I shall use the most neutral word that I can find – that it had assessed the latest information received in this context from the FATF relating to these deficiencies and other relevant information. The intervener before me has cited three of these deficiencies. First of all, not demonstrating that supervisors, of what we call offshore sector and the non-financial business and professional sectors had implemented this base supervision, that is, they had to be a little bit more forceful in their supervision - and failing to ensure that there was access to ownership information, matters which had been quoted on both sides of the House. But what the Opposition fails to say, that we are talking of five deficiencies...

(Interruptions)

Mr Speaker: No conversation!

Mr Collendavelloo: ... out of a possible 58 deficiencies. It is 5 out of 58 which are being addressed. So, no amount of oratory will be able to diminish that simple fact. The European Commission says, I quote –

“took into account ...”

And I underlined, as appropriate.

“...information from international organisation and Standards-Setters in the field of AML/CFT...”

Recent FATF public statement, FATF documents, etc. I understood the previous intervener, the Third Member of Belle Rose and Quatre Bornes, to be saying that, ok, our case is that we have not had a fair hearing. I don't know whether he agrees with it or not, but that's not the point, the point is that he acknowledges that we are saying that we have not had a fair hearing. And he says: “but there was no need for a fair hearing because the FATF had already placed you on a grey list, and that you knew that meant the EU would place it on the black list.” The most fervent advocate of the case against Mauritius. He does it better than any prosecutor would have done and we jump when the hon. Deputy Prime Minister says this is antipatriotic! You come to the public to say you deserve what you are getting because that is the gist of the speeches which we heard. We are saying, yes we are saying, come on, a fair

hearing would have been in the order of things and we are not the only ones to say this. That is not the order of this matter. And we are saying where is the autonomous enquiry which normally would have been done and this is what has got to be done, an autonomous assessment by the EU itself of what is happening with the opportunity to everyone to state its case and normally in the autonomous assessments, even the Leader of the Opposition at least would be consulted and I trust he would keep the same level of language as he has kept in the House today.

The autonomous assessment would have indicated the steps that are being taken, the positive and not negative steps which are being taken. We were on an observation list and without any form of words, we find ourselves on a black list. I have to say a few words of the speech made by the Second Member for Constituency No. 15 where he said it clearly and very proudly we deserve to be on the black list. Of course, I cannot accuse him of being very bright, but at whatever level you are, even if you are an empty barrel, while you rove down the *pavage* of streets, at least, there must be somebody pushing you and that somebody should tell you to make a little bit less of noise. It is the doing of Mauritius that our population will suffer; you deserve it, he says, because you elected this Government and hon. Bhagwan heckles *pa finn eli*. So, what is the language? You elected a Government, you deserve what you are getting and *à feu et à sang*. Then, we will rescue you. And he says some pitiful things.

Mr Speaker, Sir, let me rebut one statement that comes every time. I have never said and I have checked all radio interviews on this, that I had looked Mr Sobrinho in the eyes. That is the invention of the writer. I will not name him, but he invented it and it caught on. All I said was that his lawyer had told me that he had faced four cases one after the other in Portugal and that in all cases, the Supreme Court had quashed his convictions. And he gave me the decisions of the Court of Appeal of Portugal duly translated by a certified translator. And in Mauritius, his company was accused of having made a false statement. The main witness was an eminent Senior Counsel. He gave his version in Court, the Intermediate Court. The Intermediate Court chose not to believe the word of the eminent Senior Counsel and chose to acquit his company. What can we do about it? You keep challenging the Intermediate Court? Everyone is bad in Mauritius except them! They have a syndrome, it is not an agenda; it's a psychological problem where everyone around you comes from darkness but you the light is there my friend, that is where the light shines forth, from them. This is why they keep losing election after election.

(Interruptions)

They talk of Mr Yerrigadoo. Has he even been provisionally or whatever it is, has he been provisionally charged? Has he been prosecuted? The MedPoint, there is an appeal by the DPP. The DPP appeals against hon. Pravind Jugnauth's acquittal. It is his right. The DPP brings in ICAC to the Privy Council. ICAC retains services of an eminent silk, that is, a top brass Counsel in the United Kingdom. And the lawyer tells ICAC: hey, what have you been saying before is wrong, the Supreme Court was right, you need to support the Supreme Court. This is seen as an act of corruption. Why did they change course? *Enn palabre!* Just to run down the judgment of the Privy Council because the innuendo is that Mr Beekarry went to the Privy Council, seeing him the Law Lords capitulated, changed their minds and acquitted Pravind Jugnauth. This is the Opposition. This is the sort of Opposition that we have and you find it strange that people laugh at us when they hear that sort of language! Today, instead of having good arguments, because there are good arguments, and one did choose good arguments, the Opposition decided that this House should be used as an inquisition to the Government, a form of trial by Parliament. Shame! You are punished and you deserve to be punished. All institutions are rotten, even the elections are rotten.

But I have, and the population has complete trust that we are going to remove ourselves from this difficulty and we shall soon see what the future lies for us and this is why we need to vote the Bill with the present Minister of Financial Services, whom I heartily congratulate for his hard work.

Thank you, Mr Speaker, Sir.

Mr Speaker: Hon. Lobine!

(7.27 p.m.)

Mr K. Lobine (First Member for La Caverne & Phoenix): Thank you, Mr Speaker, Sir.

I have listened very carefully to hon. Collendavelloo's speech with regard to this Bill. I must say, I do understand his *état d'âme*, *état d'esprit*, today sitting as a backbencher and intervening on this Bill, and the most part of what hon. Xavier Luc Duval has said, I am of the view that he has missed the whole point because when hon. Duval was saying that if we do not act, if this Government does not act, we will go down the drains, you have to listen to the complete phrase and sentence that was pronounced. And hon. Duval also made reference to what commitment in 2014 *l'Alliance Lepep* took with regard to setting up of a Select

Committee to get the best people to go and work, and be appointed in our institutions, regulatory bodies like FSC, FIU, and Bank of Mauritius, amongst others.

So, I do express myself with disappointment when I heard hon. Collendavelloo also giving a statement with regard to *l'affaire Sobrinho*, now, after four years that he did not *guett dan lizier!* After four years, we are getting it from hon. Collendavelloo, so, this is on record.

Mr Speaker, Sir, the Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill comes before this House amidst a series of events that have projected, for the wrong reasons, our country on the international scene.

Mr Speaker, Sir, from the ominous Alvaro Sobrinho scandal, we are getting more information now, after four years, to this infamous St Louis mega scandal, our country's reputation has been seriously hampered. Unlike the situation in the 1990s, Mauritius, as an international financial centre, is now under a harsh spotlight.

Mr Speaker, Sir, no one owes us a living as rightly pointed out in his speech by the Leader of the Opposition, and we cannot expect any favours anymore from any friendly countries. This is the stark reality, the fittest survives and Mr Speaker, Sir, we have recently witnessed the rapid emergence of the International Financial Centre, a serious competitor in the region.

Mr Speaker, Sir, Governments around the world are struggling desperately to bring down fiscal deficits, to reduce the exponential of sovereign debt, the more so with the COVID-19 pandemic that is still breathing down the neck of many countries. Our world economy is facing serious trouble with regard to all these issues of blacklist.

Mauritius is no exception and with regard to this climate surrounding this blacklist where Mauritius is still there, for the very same reason as hon. Collendavelloo pointed out with regard to institutions, prosecutions; for the very same reasons that our institutions are not working; for the very same reasons, like hon. Duval has pointed out, hon. Uteem has pointed out; hon. Boolell and hon. Assirvaden have pointed out, our institutions are not functioning to the level expected by the European Union, to the required level expected by our donor agencies. This is our reputation that is at stake and this is precisely why bringing this Bill will not address the issue.

True it is we need this Bill. This Bill consolidates a lot of other legislations that have been enacted in the past, but we need to act in a patriotic way. I say it from this side of the

House that there cannot be more patriotic people here in the House, from this side of the House and from the other side of the House. We all love our country and we have the duty, history will look upon us because we have got more than 12,000 people working in the financial sector.

The youth of this country are mostly employed in our financial sector and they are looking at us, they are looking at Government, what actions are being taken.

Yes, true it is, we need to consolidate what has been done in the past - legislations, regulations, but we have to go a step further, and the step further is what the European Union is looking for, for us to get out of this list. How do we implement all those legislations? Are our institutions failing implementation of those proper legislations? These are the issues that we need to address and we are all very much united on this side of the House, Mr Speaker, Sir, to express our deep concern when Mauritius has been added to the blacklist of the European Union in the manner that it was done and we are not considered to be a high-risk country.

Mr Speaker, Sir, deeply bruised by COVID-19, our fellow countrymen are still trying to adjust and adapt to the new normal of their working environment, with several key sectors of our economy on their knees, with the stress of massive unemployment, like a sword of Damocles hanging over their heads, and yet, Mr Speaker, Sir, our financial services sector has been the least affected.

During the period of confinement, our financial services sector, with employees consisting mostly of our Mauritian youth, was working, and the concept of 'work from home' really worked in this sector.

If we look at the statistics, Mr Speaker, Sir, the financial services sector contributes to around 12% of our GDP, and employs more than 12,000 people. The total assets of global business companies are estimated to be around USD 750 billion and, according to the last annual report of the Financial Services Commission, the total assets of corporate and trust service providers have reached USD 250 million. Similarly, the total income of management companies is around USD 276 million.

Mr Speaker, Sir, those figures, that I have cited, show the vital contribution of this sector to our economy. And most importantly, the gateway of opportunities that are opened to our youths, be it professionals and others to be employed and earn a decent living. But, Mr Speaker, Sir, with the inclusion of our country in the EU Commission list of third countries

having strategic deficiencies in their anti-money laundering and countering terrorist financing regimes, that is, the famous EU black list, those employments in the Financial Services Sector are at risk.

Mr Speaker, Sir, the hon. Minister of Financial Services and Good Governance has, rightly so in his speech, made mention of legislations and regulations that have already been brought and I tend to reason while perusing this Bill that it is just consolidating our existing legal frameworks. And most of the objectives being sought have already been addressed and for the sake of clarity, I shall, however, Mr Speaker, Sir, highlight existing legislations recently amended. Mauritius has made significant alterations to the law related to anti-money laundering following its Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) Mutual Evaluation Report in 2018 which highlighted the deficiencies in its anti-money laundering and countering terrorist financing regimes.

Recent amendments already made to AML/CFT laws were intended to enhance the regulatory regime for combatting money-laundering and terrorism financing in Mauritius. And to bring the legislation in line with the recommendations made in the ESAAMLG Mutual Evaluation Report for Mauritius in 2018, the primary statute governing money-laundering offences, the FIAMLA, Financial Intelligence and Anti-Money Laundering Act 2002 was amended. The scope was broadened to prevent measures and to be consistent with the Financial Action Task Force.

Also, Mr Speaker, Sir, the FIAMLA Regulations 2003 have been replaced by the Financial Intelligence and Anti-Money Laundering Regulations 2018 which came into force on 01 October 2018. So, Mr Speaker, Sir, what I am trying to say is that existing legislations in place do actually address issues of concern with regard to risk assessment, for example. New provision related to risk assessment has been introduced in the FIAMLA which makes it a requirement for a reporting person which is a bank, financial institution, cash dealer or member of a relevant profession or occupation to identify, assess and monitor that person's money laundering and terrorism financing risk at the level of its customers.

There are also issues that have been addressed with regard to policies, controls and procedures. The reporting person must establish regular review and update policies, controls and procedures to mitigate, manage the risk of money-laundering and terrorism financing. In the existing regulations and legislations, they also address the CDD, the Customer Due Diligence. The FIAMLA and the regulations have been amended to include legal obligations

related to more detailed Customer Due Diligence measures, particularly concerning the identification of legal persons, legal arrangements and beneficial ownerships. They also address the whole issue of reliance on third parties. Reporting persons may rely on third parties to introduce business or to perform the CDD measures. This is also embedded in the regulations that we do have.

We do also have transactions with regard to Shell Banks. The existing regulation rightly prohibits entering into or continuing any business relationship or occasional transaction with a bank that has got no physical presence in the country. This is also included. The existing legislation also talks about Politically Exposed Persons (PEP). It is noteworthy here that the definition of PEP is included in existing regulations and covers a foreign PEP, a domestic PEP and an international organisation. This is also included in the legislation that we have in place.

We also have beneficial owners. A definition of beneficial owner is found in the existing regulations as a natural person who ultimately owns or controls a customer or on whose behalf the transaction is being conducted and also includes those natural persons who exercise ultimate control over a legal person. This is also included. Also included is the issue of how to constantly bring regulations. The Minister is empowered to do so. But what we need to remind ourselves, Mr Speaker, Sir, are the strategic AML/CFT deficiencies for which we have been sanctioned for. Why is it that despite having a well-regulated sector where our legal frameworks are being constantly consolidated, why are we on that blacklist of the EU? What are the weaknesses that have been identified, Mr Speaker, Sir?

- (i) Deficiencies in demonstrating that the supervisors of its global business sector are able to implement risk-based supervision.
- (ii) Failure to ensure access to accurate, basic and beneficial ownership information by competent authorities in a timely manner;
- (iii) Failure in implementing a risk-based approach for supervision of its non-profit organisation sector to prevent abuse of terrorist financing purposes.
- (iv) Failure to demonstrate adequate implementation of targeted financial sanctions through outreach and supervision.

These four issues have been addressed in existing legislations and this present Bill only consolidates our legal frameworks. But, Mr Speaker, Sir, there is a fifth one and this is the most important one that this Bill has not addressed at all –

- (v) Failure to demonstrate that law enforcement authorities have the capacity to conduct money laundering investigations, including parallel financial investigations and complex cases.

And this is where this Government has so far failed lamentably. Let me remind this House that we have two reports of two Commission of Inquiries, namely the Commission of Inquiry on Drug Trafficking in July 2018 and the Commission of Inquiry on Horse Racing in March 2015 that have extensively looked into and made recommendations how to tackle money laundering in the country, and we all know the fate of those two reports. But what is alarming, Mr Speaker, Sir, is the total lack of commitment to come forward with really independent institutions to work within the legal framework in place and to investigate without fear and favour and the fact remains that institutions like the Bank of Mauritius, FSC, ICAC, GRA, FIU, amongst others do not enjoy the trust of the Mauritian population at large. They are not perceived to be independent and many foreign diplomats, professionals in the Financial Services Sector and the legal profession, be it in Mauritius or abroad, questioned the method of appointment of Directors and CEOs of those institutions. This is the reality and I must say, Mr Speaker, Sir, unfortunately, I do not see any commitment from this Government to address this issue and I will elaborate on it.

Way back in February 2015, replying to a PNQ put by the then Leader of the Opposition, hon. Bérenger, to the then Prime Minister, the Rt. hon. Sir Anerood Jugnauth, with regard to the introduction of a new legislation for the setting-up of a Financial Crime Commission, that is what he replied and I quote -

“As the House is aware, the Government Programme 2015-2019 provides as follows

—

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.

Government will leave no stone unturned to eradicate fraud, corruption, malpractices and irregularities in all aspects of public life and restore our national values.”

This is what was said in this very House.

In 2015, Mr Speaker, Sir, the same then Prime Minister, Rt. hon. Sir Anerood Jugnauth, in June 2016, stated before this House that “a Financial Crime Commission Bill will be introduced in Parliament before the end of the year.” We are taking of the year 2016.

In October 2017, again, a Communiqué from the Financial Services Commission in 2017, talked about the setting up of a Financial Crime Commission, and I quote –

“A high level delegation comprising Mr Dev Manraj, Dr. Navin Beekarry, Mr Harvesh Seegolam, is currently on mission in the United Kingdom in the context of the setting up of the Financial Crime Commission - 2017.”

Mr Speaker, Sir, we are in year 2020, where is the Financial Crime Commission Bill? This is what the hon. Minister should have brought with a Certificate of Urgency before this House.

The international community, the donor agencies, the EU have been watching this Government since 2015 and this Government should walk the talk with the setting up of the Financial Crime Commission. This will send the right signal to the European Union and this will, Mr Speaker, Sir, I am sure, help to get us of this ominous blacklist. We owe this to all those 12,000 people working in the Financial Services sector. We owe it to our country. The setting up at the earliest of the Financial Crime Commission, Mr Speaker, Sir, is a must if we want to get out of this black list.

There is a real worry among the international community that Mauritius needs to be a proactive nation in bringing more prosecutions against financial institutions that are going against the laws. The recent cases that hon. Duval has mentioned, that hon. Uteem has mentioned in our financial sector, for sure, has got a real impact on the reputation of Mauritius and this will continue to tarnish our image.

And, Mr Speaker, Sir, with the emergence of innovative financial services and products, for example, the crypto currencies which has not been addressed in this Bill by the way, but which has been rightly pointed up by hon. Xavier-Luc Duval.

Sophisticated laundering systems have seen the day and offenders identify ways of manipulating them. Mr Speaker, Sir, greater efforts should also be invested by financial institutions to counter this new way of laundering. For instance, make use of new technologies to digitalise customer data to improve customer screening and risk rating the aerial time alerts. If problems could be identified upfront, scandals could be avoided and this is where the Financial Crime Commission will fit in.

If necessary steps are not taken, this could affect the growth of the sector in the very near future with competitors around. Steps include more adapted legislation and compliance like what we are doing, what we are debating. Tighter prosecution against financial institutions that we are not doing that launder illicit money or which fail to have in place adequate AML controls.

Currently, there exists a national commitment among all stakeholders to prevent financial crime and this should give a strong positive signal to the international community, if in this very House the hon. Minister will bring with a Certificate of Urgency the setting up of the Financial Crime Commission. Bring this Bill to this House! Why is it taking so much time?

The Mauritian offshore sector can still continue to remain a sustainable economic pillar for the future, provided that we have the ability to flexibly adapt legally and technologically to the highly dynamic financial world and at the same time, minimise reputational risk by having strong compliance and regulatory frameworks, strong and independent institutions. This is what we need, Mr Speaker, Sir!

This legislation is a good piece of legislation because it is consolidating our previous legislation, but what is important is the implementation side. So, my whole speech is to convey same to the hon. Minister to take into account what has been previously canvassed by this very same Government in 2015, setting up of an independent Commission like the Financial Crime Commission. This is the way forward. This is the forward to get us out of this ominous blacklist.

God bless our country!

Thank you, Mr Speaker, Sir.

Mr Speaker: Hon. Mrs Koonjoo-Shah!

(7.51 p.m.)

The Minister of Gender Equality and Family Welfare (Mrs K. Koonjoo-Shah): Mr Speaker, Sir, allow me to, first of all, convey my thanks to you for giving me the opportunity to intervene on this very important Bill. Allow me also to commend my hon. colleague, the Minister of Financial Services and Good Governance for bringing this Bill to Parliament at the most opportune time.

Mr Speaker, Sir, let me start with a quote from the great American politician, Daniel Patrick Moynihan, who said –

“Everyone is entitled to his own opinion, but not to his own facts”.

And, this is especially true after having heard some interventions from the other side of the House.

We can all have opinions about the way various Governments from all parties have dealt with this issue of financial crimes previously, but it is our duty to stick to the facts. We must remain acutely aware, Mr Speaker, Sir, of the dangers that our economy faces, primarily as a result of the terrible effects that COVID-19 has had on the economy of every country in the world.

We are all, of course, aware of the rather hasty decision by the European Union *vis-à-vis* Mauritius and we can only hope that wiser and cooler minds will re-examine the whole issue once this Bill is enacted into law.

Mr Speaker, Sir, the first trigger point for the EU to reconsider its decision will, I respectfully submit, be on the way that investigative authorities deal with cases where it would appear that bribery and corruption has taken place. The outcome of these investigations and successful prosecution of all those who took part in shady deals, will automatically have a huge effect on the EU's desire to be confident in our ability and motivation to police our financial matters in an efficient and credible manner. In that respect, the decision by the Prime Minister to take immediate action should be applauded by all Members of this National Assembly.

However, Mr Speaker, Sir, I should confess that to being a bit surprised by the reaction of hon. Bérenger earlier. I, for one, expected him to defend himself vigorously, probably by making one of those passionate speeches that we all have been hearing possibly for the past half century, maybe. Instead, it is sad to see that he resorted to unparliamentarily language which, as far as we know, is the last recourse of an hon. Member who actually has no valid argument to put forward.

And in other words, and to put it rather crudely, if I may, the score at the beginning of this session, a mere 20 minutes after the match started, if I may say, the score was Prime Minister, hon. Pravind Kumar Jugnauth: 1, hon. Bérenger and the entire Opposition team: 0; a win by walkover, I should say for our Prime Minister. Never before have we seen an Opposition armed to the teeth with enormous outrage regarding a scandal, score this own

goal by walking out and then deny themselves a chance that they possibly think they have of attacking the Prime Minister, below the belt, I should say, as per their usual *modus operandi*.

Mr Speaker Sir, Mauritius is one of Africa's largest international financial centres and the global business sector is one of the key pillars of the economy. There were about 21,443 global business entities, with total assets of USD660 billion, representing nearly 60 times the size of the GDP in 2015. The financial and insurance services sector is one of the major drivers for GDP growth for the past years and since 2016, at 10.7%, was among the largest contributor.

Mauritius has made, Mr Speaker, Sir, a number of significant reforms in order to strengthen its Anti-Money Laundering, Combatting Financing of Terrorism and Proliferation system. For instance, the amendment of Financial Intelligence and Anti-Money Laundering Act (FIAMLA) to include expansion of the scope of reporting entities; the designation of relevant AML/CFT supervisory authorities; the strengthening of operational independence of the FIU, the establishment of National Committee for AML/CFT and the promulgation of the Asset Recovery Act.

Mr Speaker, Sir, allow me to mention some extracts from the report. In fact, the very report brought up by hon. Uteem in his quite typical *narien na pas bon* intervention earlier. The Report of Eastern and Southern African Anti-Money Laundering Group, the Second Round Mutual Evaluation Report on Anti-money laundering and counter-terrorist financing measures of 2018, whereby it highlights a number of our strength rather than always harping on about where the gaps are, which we are addressing through the introduction of this Bill. Our strength, Mr Speaker, Sir -

1. Mauritius is one of the first countries in Eastern and Southern Africa to develop an anti-money laundering and the combating of terrorist financing regime.
2. Financial institutions demonstrated an understanding of Money Laundering risks albeit at varying degrees, depending on the size and level of sophistication of the business operations.
3. The majority of specific requirements in relation to preventive measures are contained in the Bank of Mauritius Guidance Notes, the FSC Code and the FIU Guidelines.

The report also commended the fact that financial institutions operating in the global business sector are legally subject to anti-money laundering, combatting the financing of terrorism obligations. The general conclusions of that report states that however in terms of technical compliance, short-comings were observed in relation to a number of the FATF Recommendations in areas such as risk assessment and implementation of risk-based approach, obligations concerning implementation of targeted financial sanctions, transparency of legal persons and arrangements and the preventive and supervisory measures applicable to Designated Non-Financial Businesses and Professions.

Considering the following 2nd Enhanced Follow-up Report & Technical Compliance Re-Rating Report of the ESAAMLG in September 2019, we should note that several ratings of the previous recommendations made in 2018 shifted from Non-compliance to Compliance, meaning that Mauritius had made significant progress.

Mr Speaker, Sir, the point that I want to stress is that the Report lays emphasis on the overall operational technicalities or technical compliances of our Financial Services Sector. It does not mean that we do not have the political will to fight against money laundering and financing of terrorism.

Au contraire, Mauritius had provided the legal framework appropriate for sound business transactions through the enactment of legislations to combat both fraud and corruption ever since 2002. Mr Speaker Sir, to recall, it was under the leadership of Sir Anerood Jugnauth that the Financial Intelligence and Anti-Money Laundering Act and the Prevention of Corruption Act were promulgated.

I would also like to recall again that it was Sir Anerood Jugnauth, himself, under his Primeministership, that a new Ministry to embrace a larger mandate of prevention of fraud and corruption in this country was created with a view to giving a new impetus to the financial services sector.

Mr Speaker Sir, I must at this particular moment remind this House, that it was the hon. Prime Minister and the then Minister of Finance, Mr Pravind Kumar Jugnauth who introduced the Anti-Money Laundering and Combatting the Financing of Terrorism and Proliferation (Miscellaneous Provisions) Bill in May 2019.

The object of that Act was to amend various enactments with a view to meeting international standards of the Financial Action Task Force on anti-money laundering and

activities related to the proliferation of weapons of mass destruction, and to provide for matters related thereto.

This Act of 2019 gave more powers to regulatory bodies and to ensure more transparency in our dealings in our financial services sector. Supervisory Bodies were called upon to supervise, monitor, give guidance to a member falling under its purview, to cooperate with, to assist investigatory authorities, to exchange information with overseas comparable regulatory bodies in order to identify methods and trends of money laundering activities.

The current Bill, Mr Speaker, Sir, that is the Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill (No. V of 2020), Mr Speaker Sir, aims at bringing further fundamental reforms in the financial services sector, thereby ensuring closer compliance with recommended international best practices and norms of the FATF and bring all the actors linked to the sector into compliance obligations . Mr Speaker, Sir, accordingly, various enactments will be amended with a view to reinforcing the existing legal provisions to further combat money laundering and financing of terrorism.

Mr Speaker Sir, I am confident that this Government is leaving no stone unturned in its fight against money laundering and financing of terrorism. Since taking over the reins of Government, we have been unflinching in making continual improvements, both in our legislative framework and our operational practices. We need to understand that we operate in a highly cut-throat competition and therefore I will make an appeal to all the stakeholders to pull our strengths together and work as true patriots for the benefit of our country and our people.

We have just undergone the terrifying experience of COVID-19, and we are all acutely aware that small islands like Mauritius have been greatly affected. This is not the time for party politics but a time for solidarity and patriotism.

Mr Speaker, Sir, we all know that without strong watchdog institutions, impunity becomes the very foundation upon which systems of corruption are built. This Bill, Mr Speaker, Sir, goes a long way to strengthen these watchdogs and our investigative authorities, so that they can have the legal power to safeguard the interests and hard labour of honest taxpayers.

I sincerely hope that the Opposition will try not to play politics this time round but will instead make some serious proposals that they believe will enhance the quality of this

Bill, although I highly doubt that. We certainly do not want to hear about proposals like building bridges where there is not even a river. That is not going to be helpful at all.

Once again, Mr Speaker Sir, allow me to highly commend this laudable initiative by my hon. colleague, Minister of Financial Services and Good Governance and the Prime Minister, hon. Pravind Kumar Jugnauth for bringing this Bill at a critical moment.

I thank you all for your attention.

Mr Speaker: Hon. Members, I will break for one hour.

At 8.06 p.m., the sitting was suspended.

On resuming at 9.14 p.m. with Mr Speaker in the Chair.

Mr Speaker: Please be seated! Hon. Ramful!

Mr D. Ramful (First Member for Mahebourg & Plaine Magnien): Mr Speaker, Sir, let me make it very clear right from the outset that any positive step towards consolidating our AML/CFT framework is most welcome and therefore, in the same breath, we are of the view that the amendments being proposed are imminent given the urgency of the situation and as patriots, we are ready and willing to work towards getting our country delisted from the EU's blacklist in the shortest delay.

However, the new Minister responsible for money laundering seemed not to be on the same wavelength, because you will recall, Mr Speaker, Sir, that he seized the first opportunity after Mauritius was placed on the grey list of the FATF, in his statement to the House, on 24 February this year, he laid the blames squarely on the Labour Party.

Not even that, in his answer during the PNQ put up by the Leader of Opposition, on 13 May 2020, on the circumstances that led to the blacklisting of Mauritius, he, again, placed the blame squarely on the Labour Party but today, I have listened to him, he was cautious. *Je dois dire que les explications du ministre dans le deux cas sont pitoyables et confirment, M. le président, l'irresponsabilité de ce gouvernement.*

It was, unfortunately, a vain attempt by the Minister to put the blame on the Labour Party when they have been in charge of the country, *depuis six ans maintenant.* And when you look at the course of events between 2015 to date, if there is any Government which has to be blamed, it can only be this Government, Mr Speaker, Sir.

Let us make things very clear for everyone to understand how we have reached *cette situation sans précédent qui fait beaucoup de tort à notre secteur financier*. And because they have distorted the facts, Mr Speaker, Sir, I have to, unfortunately, spend a few minutes explaining the chronology of events which has led us to this situation. The Financial Action Task Force (the FATF) in April 1990, less than one year after its creation, issued a report containing 40 Recommendations.

Then, between 2001 and 2004, since there were increasing concerns about terrorists financing around the globe, the FATF came up with 9 Special Recommendations to deal specifically with the financing of terrorist activities through the banking and financial system.

Now, to evaluate the level of compliance of member States, in respect to those Recommendations, *en 2004*, the FATF came up with a Methodology. Based on the 2004 Methodology, *en décembre 2008*, the ESAAMLG, which we are a member, came up with the first; that was the first Mutual Evaluation Report for Mauritius, *en 2008*. That was under the Labour regime and it is pertinent to note that from *2005 à 2014*, despite the evaluation of ESAAMLG *en 2008*, there was no grey listing, there was no blacklisting.

Then, in February 2012, however, the FATF reviewed - I think the Leader of Opposition mentioned it - the sets of recommendations and came up with a new Methodology which was published in 2013 and it was under that new Methodology that in September 2018, the ESAAMLG conducted its second Mutual Evaluation Report and the assessment highlighted weaknesses with regard to the effectiveness, not technical compliance, but effectiveness of our AML/CFT framework under the 'Revised Recommendation'.

Let me just refer to one paragraph of the new 2013 FATF Methodology to show clearly that the current rating by the FATF has nothing to do at all with the rating under the 2004 Methodology, and I quote at paragraph 38 –

“Due to the revision and consolidation of the FATF Recommendations and Special Recommendations in 2012, and the introduction of separate assessments for technical compliance and effectiveness, the ratings given under this Methodology, - 2013 - will not be directly comparable with ratings given under the 2004 Methodology.”

Therefore, we had one year, following the ESAAMLG Mutual Evaluation Report *en 2018*, to take necessary actions in order to comply with the weaknesses that have been highlighted, but, unfortunately, Mr Speaker, Sir, there was no political will to do so. And this is what led Mauritius being placed on the grey list by the FATF on *le 21 février 2020*.

La déclaration de l'ancien ministre, Sudhir Sesungkur, qui était, lui-même, ministre responsable à cette époque et révélateur, M. le président. Dans une déclaration à l'Express, en date du 14 juin, il nous révèle ceci sur la volonté politique du gouvernement de combattre le blanchiment d'argent. La question a été posée, et pourquoi n'a-t-il pas proposé ces réformes et la mise en place d'une *Financial Crime Commission* ? Et l'ancien ministre a répondu : "Croyez-vous que si cela ne dépendait que de moi, je ne l'aurais pas fait ? Cela a trait aux prérogatives du Premier ministre. Il n'y a jamais eu de réelle volonté politique pour combattre le blanchiment d'argent." So, I think this answers the Minister's gratuitous allegations made on the Labour Regime.

Now, how did the EU black list came in, Mr Speaker, Sir?

(Interruptions)

Laisse mo kozer, après...

Mr Speaker: Order!

(Interruptions)

Mr Ramful: *Laisse mo kozer, après zot laguerre dehors.*

(Interruptions)

Mr Speaker: Order!

Mr Ramful: In 2015, the European Commission, which is also a member of the FATF, came up with a new directive and in that new directive which takes account of the Recommendations made by the FATF, came up with what they called a 'Third Party High Risk Policy'. *En 2015, je répète*, the EU came up with this new policy, a new directive with regard to the Third Party High Risk Policy. This is where the European Commission started to identify third risk countries that have strategic deficiencies in their AML/CFT system.

Since from 2015 up to date, among the countries that have been put on the blacklist, there are countries such as Ethiopia, Iraq, Yemen, Afghanistan, North Korea, etc. Mauritius has been included on that list this year, *en 2020*.

(Interruptions)

Now, my question to the hon. Minister responsible for money laundering, who tried to place the responsibility on the Labour Party is as follows -

S'il y avait des manquements de la part du gouvernement qui dirigeait le pays avant 2015, pourquoi alors, en 2015, quand l'Union Européenne, pour la première fois créa la liste noire qui comprenait des pays, tels que la Corée du Nord, l'Éthiopie etc., Maurice n'y figurait pas sur cette liste ?

En 2016, en 2017, en 2018, en 2019, la liste a été révisée à chaque fois mais Maurice n'y figurait pas.

The reason, therefore, why Mauritius is on the black list today is because this Government has failed to take necessary actions following the Mutual Evaluation Report of 2018 by ESAAMLG. In fact, Mr Speaker, Sir, we could have prevented the country from being blacklisted if following the Mutual Evaluation Report of 2018, there were effective follow-ups by the relevant bodies and, more importantly, if there was the political will to take the necessary actions and I will come to those bodies. We have already those bodies clearly set up under our current law. I am talking about the National Committee on AML/CFT under the FIAMLA. The composition of that Committee, Mr Speaker, Sir, consists of the supervising officer of the Ministry responsible for the subject of finance and he chairs the Committee. We have a representative of the Prime Minister's Office, we have a representative of the Ministry of Financial Services and Good Governance. We have a representative of the Attorney General's Office, a representative of the DPP, the Registrar of Association, Representative of Foreign Affairs, Commissioner of Police, Director of the Integrity Reporting Services Agency, Director General of MRA, Director of FIU, Deputy Governor of the Bank of Mauritius, etc.

And do you know the functions of that Committee? It is good that I highlight the functions -

- To coordinate the development, regular review and implementation of national policies and activities to combat money laundering and the financing of terrorism and proliferation.
- To collect and analyse statistics and other information from competent authorities to assess the effectiveness of policies and measures to combat money laundering and the financing of terrorism and proliferation.
- To make recommendations to the Minister for legislative regulatory and policy reforms for the purposes of combatting money laundering and financing terrorism and proliferation.

- To formulate policies to protect the international repute of Mauritius.

These are the functions of that Body and the Minister is responsible under the law. The Ministry shall coordinate and undertake measures to identify, assess and understand the National Money Laundering and Terrorism Financing Risk and review such risk assessment, at least, every three years. Now, I am bound to ask these questions. If that Committee had adhered to its function properly, today, we would not have been in this situation. Since 2015, when this Government took office - I am justified to ask - how many times has this Committee met? I have heard that, now, they are meeting every day. Now, when Mauritius is already on the black list, now they are meeting. If they have...

(Interruptions)

Mr Speaker: Hon. Member, don't interrupt!

Mr Ramful: If they have made recommendations....

(Interruptions)

If they have! If! Let us give them the benefit of the doubt. If they have made recommendations, then, why Government did not come with measures to give effect to these recommendations? This Committee is an ad hoc Committee. In order to prevent any future blacklisting, may I suggest that amendments be brought to make this Committee more proactive. It has to be answerable somewhere because as it is, it can regulate its own rules and regulations. It is not answerable to anybody. It has to be answerable, either by filling reports on a quarterly basis. It cannot remain an Ad hoc Committee. The legal framework on money laundering and terrorist financing is complex and needs regular amendments and, therefore, we need a permanent body to perform the function of the National Committee.

Let me come to another institution which was promised by this Government.

En 2015, le gouvernement annonce la création du *Financial Crime Commission* - *I think hon. Lobine spoke about that* - qui été supposée d'être *an apex body* pour harmoniser les enquêtes sur la fraude, la corruption et le blanchiment d'argent. Le gouvernement d'alors parlait d'un monstre institutionnel, un *super agency* qui allait fusionner les *Law Enforcement Agencies*, tels que l'*ICAC*, la *FSC* et la *FIU*. Cinq ans après, M. le président, pas un mot sur ce fameux *Financial Crime Commission*.

(Interruptions)

Après la mort la tisane, fini rentre lor black list aster to pe ale creer to Commission !

Même pas dans le discours programme de ce gouvernement, et vous osez parler du *political will* de ce gouvernement à combattre la fraude et la corruption ! Le gouvernement d'alors était plutôt occupé à harceler ses adversaires politiques en utilisant les ressources de ces *Law Enforcement Agencies* pour faire des enquêtes bidon. Au lieu de combattre le blanchiment d'argent, au lieu de venir de l'avant avec le *Financial Crime Commission*, le gouvernement décida de créer le *Prosecution Commission*, comme motif de téléguider les enquêtes du bureau du *DPP* par des nominés politiques.

Do you know what the US Department of State Money Laundering Assessment said about Mauritius? I will quote from their report. This Department is a bit like the FATF in the US. This is what they said -

“Mauritius was deemed a ‘Monitored’ Jurisdiction by the US Department (INCSR) of State 2016 International Narcotics Control Strategy Report. Key findings from the report are as follows –

Although Mauritius has developed a reputation as a well-regulated financial jurisdiction, its regulatory and enforcement scheme has some limitations.”

C'était en 2016.

“A new government came into power in Mauritius after general elections in December 2014, announcing its intention to curb fraud and corruption and promote good governance. Yet investigations thus far have centered on members of the former government and its financiers. Opposition parties and the media have criticised some of these actions as being politically motivated.”

So, this is the image that we have been showing to the world pendant *ces cinq dernières années*.

Let me come to the Financial Services Commission, the FSC, instead of playing its role as a credible and responsible regulatory and supervisory institution in the Financial Services Sector, it has been used, Mr Speaker, Sir, by this Government to create more harm to the sector. The amendments brought to the Bank of Mauritius Act to remove, under the purview of the Bank of Mauritius, the issue of investment banking licences and granting the power to political puppets of the FSC, is a clear example of political intervention.

Subsequent to these amendments, Alvaro Sobrinho Africa Ltd was granted an investment banking licence and we know the harm that this has caused to the image of our

financial sector. Who does not recall, Mr Speaker, Sir, the VIP treatment given to Alvaro Sobrinho, who in the middle of a Police enquiry on his companies, managed to come to Mauritius, passed through the VIP, without being bothered by the Authorities, he gave a press conference and he flew back the next day! Who does not recall *la démission du solliciteur-général et trois autres membres du conseil d'administration de la FSC* and the next day, a Saturday, Mr Googoolye, appointed, *in extremis*, to waive the suspension imposed on the licences given to Alvaro Sobrinho Group of Companies *illico presto* and they have the guts of blaming the Labour Party.

(Interruptions)

Mr Speaker: Don't interrupt!

(Interruptions)

Mr Ramful: The Financial Intelligence Unit, the FIU, is operating in complete opacity, Mr Speaker, Sir. That body is supposed to be the central agency to receive, analyse and disseminate to investigatory bodies, information pertaining to money laundering. It also has, under its responsibility, the Asset Recovery Unit. Now, I am justified to ask these questions. How many such information has the FIU disseminated to investigatory bodies? How many tainted assets has the FIU confiscated since that power was removed from the DPP in 2015 and given to the FIU? I have to, unfortunately, ask these questions because *d'après la section 29 du FIAMLA*, the Minister, responsible for money laundering, is supposed to table the Annual Report of the FIU in the Assembly and I have gone to check in the Library. You will be surprised, Mr Speaker, Sir, this institution, which is supposed to combat money laundering, has not filed its Annual Report, *depuis 2016*. A body which is supposed to combat money laundering, FIU, has not filed its Annual Report. So, it is operating in complete opacity. We don't know how many information is being disseminated to investigatory bodies.

Mr Speaker, Sir, I am not going to be very long. Before I conclude, I will take the opportunity to just reply to the hon. Deputy Prime Minister, I take the opportunity of congratulating him as well, but he has to get the facts right because he said that under the Labour Government, there were no amendments to the FIAMLA, the law on anti-money laundering. Let me refer him to -

- Act No.14 of 2005, amending the FIAMLA;
- Act No.15 of 2006, amending the FIAMLA;

- Act No. 09 of 2007, amending the FIAMLA;
- Act No. 14 of 2007, amending the FIAMLA;
- Act No. 17 of 2007, amending the FIAMLA;
- Act No. 14 of 2009, amending the FIAMLA;
- Act No. 38 of 2011, amending the FIAMLA;
- Act No. 27 of 2012, amending the FIAMLA;
- Act No. 37 of 2013, amending the FIAMLA.

So, it is not correct to say that there was no single amendment brought by the Labour Party during the time that the Labour Party was in power.

Therefore, Mr Speaker, Sir, to conclude, these amendments that are being proposed are welcomed but legislation on its own will not be sufficient. We need to have the political will to save our financial sector. So far, Mr Speaker, Sir, this Government has not shown any sign of its willingness to do so.

Thank you, Mr Speaker, Sir.

Mr Speaker: Hon. Dhaliah!

(9.42 p.m.)

Mr R. Dhaliah (Second Member for Piton & Rivière du Rempart): Thank you, Mr Speaker, Sir.

Mr Speaker, Sir, today, we are discussing a very important piece of legislation, that is, the Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill 2020 to consolidate the legislative and institutional frameworks for the financial sector.

M. le président, l'*Anti-Money Laundering and Combatting the Financing of Terrorism (Miscellaneous Provisions) Bill* est un pas supplémentaire dans la vision de ce gouvernement, de mettre un terme aux pratiques illicites que sont le blanchiment d'argent et le financement du terrorisme. Il est dommage que certains ici, à l'intérieur de cette Chambre, et d'autres qui agissent par pure frustration fassent preuve de négativité.

L'objectif de ce projet de loi est clair. Il vise à apporter une réforme approfondie du secteur des services financiers tout en assurant que les pratiques internationales et les normes du *Financial Action Task Force* soient respectées. Au fil des années, nous avons eu droit à une panoplie d'arguments et à l'insistance de certains, réclamant des lois plus sévères et les

mesures plus profondes pour combattre le blanchiment d'argent et de financement du terrorisme entre autres et c'est exactement ce que ce gouvernement fait aujourd'hui mais il est dommage que certains trouvent à en redire.

Mr Speaker, Sir, the Government has adopted a two-pronged approach to bring further fundamental reforms in the Financial Services Sector to ensure closer compliance with the recommended international best practices and norms of the Financial Action Task Force and to reinforce the existing legal provisions to enhance the monitoring mechanism and processes in the fight against money laundering and terrorism financing.

Mr Speaker, Sir, money laundering and terrorism financing are considered to be serious threats to global safety and security and they are likely to compromise the integrity of the financial system in any country in the world. Criminals use the process of money laundering to conceal or disguise the origin of criminal proceeds and subsequently try to introduce such proceeds in the financial system as clean money.

Mr Speaker, Sir, the world is changing at an incredible speed and we have to keep pace with the evolving situation to make of Mauritius a better place to live for this generation and the generations to come.

The scourge of money laundering and financing of terrorism is a global phenomenon affecting all countries and Mauritius is not spared. The fight against money laundering and terrorism financing is a relentless battle. This is the reason why the combat against money launderers and terrorism financiers has always been high on the agenda of this Government. In this regard, I wish to highlight paragraph 177 of the Government Programme 2020-2024, which reads as follows, I quote -

'177. In order to strengthen our legal, regulatory and operational measures for combating money laundering and terrorist financing, additional measures will be taken to further consolidate the regulatory frameworks of our financial and banking services.'

Mr Speaker, Sir, during my intervention for the Budget 2020-2021 debate, I enumerated a list of measures that this Government implemented immediately after assuming office following the General Elections of November 2019.

Today, after only about eight months in office, this Government is implementing another important measure in its programme, to curb down money laundering and the financing of terrorism. This piece of legislation, which we are debating on today, is yet

another milestone. This Government means business and we walk the talk. This is concrete proof that this Government is action-oriented, and it was not an *effet d'annonce* when we made this pledge to the nation.

Mr Speaker, Sir, I wish to point out that this Government has already shown its determination and will to fight the scourge of drug in Mauritius, the seriousness of purpose has been seen when this Government came up with a Commission of Inquiry on Drug Trafficking.

I have mentioned the drug issue here purposely, because it is not a secret that the illicit proceeds of drug trafficking are geared towards money laundering and terrorism financing. If we need to seriously and effectively address the problem of money laundering and terrorism financing, we have to attack at its root cause, which is drug trafficking. This Government is continuing its war against ills affecting the population and especially, the youth. This Bill will no doubt assist to address these problems.

Mr Speaker, Sir, Mauritius, being a founder member of the Eastern and Southern Africa Anti-Money Laundering Group, which is an associate member of the FATF, participates in a self-assessment process to gauge its progress in implementing the FATF recommendations. Mauritius has further expressed a firm commitment to combat this scourge and has accordingly ratified numerous international Conventions, Protocols and Treaties.

To further ascertain an effective and holistic supervision of all activities, through which money can be laundered, the (AML/CFT) (Miscellaneous Provisions) Bill 2020 ascertains that other activities such as gambling, jewellery trades, real estate activities, among others, are duly supervised.

Mr Speaker, Sir, after the ESAAMLG review in 2018, it was noted that Mauritius was compliant with 14 out of the 40 recommendations. Consequently, it was considered that we had low or moderate level of effectiveness for all the 21 immediate outcomes. Since then, Mauritius has been successfully re-rated twice, that is, in October 2018 and March 2019, at the back of reforms brought by the Government. We are now largely compliant or compliant with 35 out of the 40 recommendations, and we have to address the remaining five recommendations. This is the very purpose of the Bill we are discussing today, Mr Speaker, Sir.

Members on the other side of the House have been giving the impression that Mauritius has been written off by the EU and our financial services sector has been doomed.

This is certainly not the case. It is important to bring some clarifications, and dispel all doubts and misunderstandings regarding the inclusion of Mauritius on the grey list of the FATF.

A clear distinction has to be made between countries in the black list of the FATF, and those which are in the grey list. Mr Speaker, Sir, countries, which are in the black list of the FATF are considered to be high-risk jurisdictions and non-cooperative. Conversely, countries on the grey list are jurisdictions which are under increased monitoring, but which are formally committed to working with the FATF to develop action plans that will address deficiencies in the AML/CFT Framework.

According to information available on its website, FATF has placed some 18 countries in its grey list as at February 2020, including Mauritius. Mr Speaker, Sir, this Government has taken a firm political commitment to address the strategic deficiencies in our AML/CFT Framework. A high level multi-stakeholder committee under the chairmanship of the hon. Prime Minister has been set up to monitor the implementation of their action plan. In addition, several sub-committees have been set up and are already operational at various levels to focus on specific action points for implementing risk-based supervision with a view to maximizing efficiency and increasing pace of progress.

Mr Speaker, Sir, now I wish to refer to the Budget Speech 2020-2021, wherein the Minister of Finance, Economic Planning and Development summarised the way forward to comply with the five remaining recommendations of the FATF by September 2020.

As such, Mauritius will implement a risk-based supervision in accordance with the recommendations of the FATF, targeted outreach programmed to promote clear understanding of money laundering and terrorism financing risk, increased reporting of suspicious transactions, targeted financial sanctions in cases of terrorism financing and timely access to beneficial ownerships information.

Mr Speaker, Sir, the new Bill seeks to implement the above measures enunciated in the Budget Speech 2020-2021 in a tiny and subtle manner. While we go the extra miles to bring the jurisdiction in conformity with international norms, we also restore confidence within the international investment community for using Mauritius as a platform for their investments.

Mr Speaker, Sir, this Bill will send a strong message to the international community that we do not only adhere to international laws, but also implement the international best practices to uphold the integrity of the domestic and international financial system.

In this respect, numerous provisions of the Financial Intelligence and Anti-money Laundering Act (FIAMLA) will be amended to ensure that suspicious transactions are duly scrutinised, including those funds which are used for or linked in any manner with terrorism, whether or not they are proceeds of crimes. This represents a significant stepping stone in line with international best practices.

Mr Speaker, Sir, Mauritius has already submitted a progress report to the FATF on 20 March 2020 as stipulated by the FATF International Corporation Review Group, but, due to the COVID-19 pandemic, the report has not yet been considered. This has contributed significantly to the unfortunate inclusion of Mauritius on the EU list which relies on two events which are directly correlated; firstly, the decision of the FATF in February 2020 to place Mauritius on the grey list, and secondly, the issuance of the revised methodology for the identification of high-risk third countries, which was published together with the list. This revised methodology uses the FATF list as a valid baseline for determining the EU list.

Mr Speaker, Sir, I further understand that FATF informed Mauritius that it should complete the implementation of the FATF action plan by January 2022 instead of September 2021, and possibly exit the ICRG in June 2022.

In this connection, on the 02 of June 2020, the Prime Minister's Office of Mauritius released a high-level communiqué, highlighting that, in January of this year, Mauritius formulated and agreed upon a detailed action plan with the FATF with completion date of September 2021. Mauritius nevertheless aimed to complete the process by December 2020, but has since decided to further accelerate the process with the final completion date, target date of September 2020. As such, the Government is strongly committed at its highest level to implement the action plan one year ahead of a schedule, which was initially agreed with the FATF.

Mr Speaker, Sir, Mauritius has always upheld its commitment with international organisations like the OECD, the EU and the FATF. In particular, you will recall the prompt commitment that Mauritius took with the EU in February 2019 after taking cognizance of the concerns with respect to our tax system. Our legislative framework was accordingly overhauled to the satisfaction of the OECD. The EU recognised the efforts of Mauritius and issued a clean conclusion on our tax and regulatory framework within the same year in October 2019.

Mr Speaker, Sir, I would further wish to reiterate that Mauritius has already met the expectations of the FATF in relation to what is known as the 'Big six recommendations', that is -

- The criminalisation of the money laundering offence;
- The criminalisation of the terrorism financing offence;
- The implementation of a framework for targeted financial sanctions;
- The customer due diligence;
- The record keeping; and
- The reporting of suspicious transactions.

Mr Speaker, Sir, the ability to launder the proceeds of criminal activities through the financial system represents a key element to the conduct of criminal operations. The uncontrolled use of the financial system for this purpose undermines the credibility of individual financial institutions and ultimately extends to the entire financial sector.

M. le président, notre pays a été témoin de plusieurs évènements qui nous poussent à réfléchir et qui démontrent que le gouvernement mené par notre Premier ministre, l'honorable Pravind Jugnauth, va dans la bonne direction. Loin de moi l'idée de faire des allégations ou de raviver de mauvais souvenirs mais nous savons tous, ici, que certains n'ont pas hésité à instaurer un climat de terreur dans ce pays. Des gens ont aussi perdu la vie. Certains qui ont été au pouvoir pendant des années ont feint de vouloir mettre de l'ordre mais c'est ce gouvernement qui vient avec les actions concrètes.

Mr Speaker, Sir, allow me to go down memory lane for the benefit of the House, particularly for Members on the other side. There was a report on Conflict Awareness Project back in 2012 from one Mrs Kathleen Austin, along with other UN representatives. They reported a case of arms trafficking by some foreigners, including one Mr Victor Bout and one Denissenko Kosolapov who were using Mauritius as their base. They wanted to obtain an air operation certificate from the Mauritian Government for that purpose. Had the report not being made available on time, we can imagine what could have happened.

Mr Speaker, Sir, there is no need for me to remind the House and the population at large on the famous *coffre* which was full of cash, both in local and foreign currencies. The sources of such funds are still doubtful even today, in spite of the Labour Party having a treasurer and a bank account; I presume it had one. Rs220 m. were kept safely in cash in the *coffre* of the Leader of the Labour Party at his residence. It is only in movies that we have

seen such huge amount of money and the population still cannot believe that such huge sums were kept by the Leader of the Labour Party at his residence.

This morning, we heard of a sum of Rs250 m. I don't know whether there is another *coffre* somewhere with Rs250 m. As I have said before, the best Court of Justice is our population. The people of this country have duly sanctioned the Leader of the Labour Party by keeping him out of this House on two successive elections. *Vox Populi Vox Dei*, Mr Speaker, Sir.

Mr Speaker, Sir, the Financial Services Sector is a key pillar of our economy and contributes to around 12% of our GDP. It is this Government which had put in place the institutional framework to develop the financial services and promote good governance through the establishment of a dedicated Ministry for Financial Services and Good Governance after the Elections of December 2014. So, the commitment of this Government to fight against money laundering and terrorism financing cannot be questioned by the Labour Party or the MMM.

Mr Speaker, Sir, this legislation is vital because the tectonic plates of money laundering and terrorism financing are shifting at international levels and policy makers, legislators and regulators are required to ramp up and consolidate efforts to prevent criminal activities of money laundering and terrorism financing. This legislation brings amendments to an array of current legislations, which include -

- The Banking Act;
- The Civil Status Act;
- The Companies Act;
- The Dangerous Drugs Act;
- The Financial Services Act;
- The Gambling Regulatory Act;
- The Good Governance and Integrity Reporting Act, and
- The Prevention of Corruption Act, among others.

Mr Speaker, Sir, the amendments to the existing legislations testify the strong commitment taken by the Government to swiftly resolve the Five Identified Strategic Deficiencies within agreed time frames set by the FATF. It must, however, be highlighted that the strategic deficiencies identified in the Mauritian AML-CFT framework pertain to

technical compliance issues, requiring Mauritius to demonstrate increased levels of effectiveness in its AML-CFT system.

To this effect, operators, particularly in those economic sectors vulnerable to money laundering, will have the obligation to report any suspected case of money laundering directly to the FIU. This is also applicable to Audit Firms, which, in the normal exercise of their audits, would be required to report any suspected case of money laundering to the FIU. This will happen through an online questionnaire. The obligation to report suspected case of money laundering has been additionally broadened to include bookmakers, jewelers, real estate agents, lawyers, notaries etc.

The Bill also empowers the regulatory bodies to request information from any member of a relevant profession or occupation. This would subsequently ensure that regulatory bodies have adequate tools and means in their fight against illicit transactions and tainted money. Amendments brought to the FIAMLA will also significantly reduce the time frame for reporting suspicious transactions from 15 days to 5 days.

M. le président, comme moi, beaucoup ont eu l'occasion de lire l'interview et ça a été mentionné plusieurs fois dans les discours des membres de l'Assemblée. Il y a eu une interview parue dans un journal partisan d'un ancien ministre qui estime que, je cite -

« Il y a des lois certes, mais les partenaires internationaux s'attendent aussi à ce que nos institutions puissent track « les activités illicites, le blanchiment d'argent, le financement du terrorisme, les cas de fraudes, etc.»

Ma question est simple : n'est-ce pas exactement ce que vient permettre cette nouvelle loi ? N'est-ce pas un pas dans la bonne direction ? Si cet ancien ministre, quoi qu'il puisse dire, était au sein de ce gouvernement, ne se serait-il pas venté de faire partie d'une équipe qui ne veut que le progrès de notre République. Il faut arrêter avec cette hypocrisie. Le présent projet de loi prévoit l'amendement d'une série de lois et nous donnons aujourd'hui aux institutions les moyens d'aller plus en profondeur, et d'enquêter sur les moindres détails sur les cas suspects de blanchissement d'argent. Evidemment, cela fait peur à certains, ceux qui sont convaincus qu'ils peuvent passer entre les mailles du filet n'ont qu'à bien se tenir.

Mr Speaker, Sir, I wish to conclude by stating that money laundering and terrorism financing have criminal economic effects and they both contribute to rewarding and perpetrating criminal activity. Money laundering and terrorism financing harm the integrity

and stability of the financial sector and the broader economy, whilst threatening the quality of life.

The amendments brought to existing legislations strengthen the integrity of the Financial Services Sector and contribute to the safety and security of our citizens by preventing drug dealers and those engaged in human trafficking, terrorism financing and organised crimes from using our financial system to support such illicit activities. Lives can be saved if such criminal activities can be controlled and curtailed. While compliance can be burdensome at times, the amendments brought to the legislation impose obligations on all stakeholders to play their part in preventing the regulated financial system from being used for criminal means to facilitate money laundering and terrorism financing.

Mr Speaker, Sir, this new legislation will provide added comfort to our international investing community to continue using Mauritius as a hub for their investments and foster the image of the Mauritian jurisdiction as a safe and secure investment platform. It also aims at sending a strong signal to the money launderers and terrorism financiers that the Mauritian jurisdiction will not tolerate any unscrupulous or dubious financial transactions.

The political and social stability, coupled with a strong regulatory regime, has undoubtedly positioned Mauritius among the best platforms for doing business in this part of the world. Mauritius ranks 1st among African countries and 13th globally in the World Bank's Ease of Doing Business 2020 Report. This is translated in other surveys such as the Forbes Survey of Best Countries for Business 2019 where Mauritius is ranked 39th globally and first in Africa.

In addition to providing an efficient platform to invest from, Mauritius is well regarded when it comes to governance. It is ranked 1st in the Mo Ibrahim Index of African Governance. We have to recognise, salute the stewardship, courage and commitment of the hon. Prime Minister, Pravind Kumar Jugnauth who is continuing to wage war against drug dealers, money launderers and terrorism financiers. While Mauritius remains committed to uphold its adherence to international norms and best practices, this Government will leave no stone unturned to get Mauritius removed from the EU list in the very near future.

Mr Speaker, Sir, I fully support the provisions of the Anti-Money Laundering and Combating the Financing of Terrorism (Miscellaneous Provisions) Bill 2020. Long live the Republic of Mauritius.

Thank you, Mr Speaker, Sir.

Mr Speaker: Hon. Shakeel Mohamed!

(10.09 p.m.)

Mr S. Mohamed (First Member for Port Louis Maritime & Port Louis East): Mr Speaker, Sir, I think it is important for me to comment from the very outset that I was not supposed to speak now, neither did I do anything to catch your attention, the fact that you are so attentive looking at me makes me – I think it is a compliment to me, thank you very much, Mr Speaker, Sir, but the fact that you pulled me out without me even drawing your attention is clear that the game that Government has decided to play of wanting to put three speakers after me in order to protect the Prime Minister who feels that he needs protection, is amazing.

(Interruptions)

The fact that the Prime Minister decides that there needs to be a buffer, such a big buffer between the Opposition and him when he addresses the House, is evidence of his confidence in his position, but then again let me not at this time try to depict in detail his lack of confidence in himself and his cowardice.

(Interruptions)

Mr Speaker: Come to the debate; come to the Bill, hon. Mohamed. Come to the Bill!

Mr Mohamed: Yes, this is about the Bill. It starts with cowardice. I'll start by saying that I think the previous orator totally missed the position that the Opposition has adopted. The Opposition has adopted a very, very simple position actually. We have said that we are not against the piece of legislation that is brought forward. We are of the view that this legislation is a must for our country. We are of the view that there are certain realities that deserve to be highlighted and those realities deserve to be spoken of. Unfortunately, when you hear the new Deputy Prime Minister address this particular issue, he is of the view that whenever someone will speak out against the position of Government, all of a sudden, we happen to be unpatriotic. If ever we don't agree to stand by their side, for instance, if I use an example, only yesterday I was reading the newspapers, Mr Speaker, Sir, and I saw that hon. Dr. Jagutpal, at the head of the Ministry of Health, decided to spend, without any tenders being put out no procurement exercise whatsoever, Rs45 m. or so of hard taxpayers' earned money on not protective equipment, the surgical gowns that have to be thrown out after the first use, disposable 25,000 units, 45 m., they were not protective equipment that were required but he gave this contract to Hyperpharm and he, the hon. Deputy Prime Minister expects us to stand by their side and be patriotic to applaud such wrong doing. If his

definition of patriotism is to forget the speeches that he used to make when he was not on the side of this Government but against this Government, not in Parliament but outside Parliament but when he used to speak against corruption, when he used to speak about the deficiencies and wrongdoings of this Government, headed by Jugnauth father together with Jugnauth son, those days are over because now he happens to be on the other side. And all of a sudden, his definition of patriotism is something else altogether. It is only political strategy just to bring down his political adversaries, he will say 'you are not patriotic because you speak against us, the Government.'

Once upon a time, a champion of democracy and free speech, today he says 'speak the language that Government wants you to speak, otherwise you are not a patriot.' He wants us to stand by his side...

(Interruptions)

I am sorry I have to rebut what he said. He wants us to stand by his side and to say 'no problem with regard to the St Louis Gate, we are all for it and we should give congratulations to the Prime Minister' because if we are stupid enough, according to him, to criticise the Prime Minister and any of the Ministers of this Government, we are not patriots, we are just dangerous people. And when I think about what the hon. Prime Minister said today since here we are talking about a piece of legislation that is being brought in order to bring us out of this black list and to give a chance to our financial sector to breathe, to give a chance to one of the pillars of this economy employing 14,000 people, youngsters, the future of those youngsters not to be jeopardised, we are here for this, we all want it to work. The hon. Prime Minister today had an opportunity of coming clean but his concept of cleanliness is different and it is not mine. He decides to be selective in a report that supposedly was given to him by the African Development Bank, specifically by Mr Alan Bacarese. I have been in contact with the African Development Bank, I have exchanges with the African Development Bank and I have spoken to him, in the mail, not spoken, but exchanged in the mail and I have the impression that someone wants light lit somewhere where the sun does not shine. Now, if he does not understand, I will translate it for him later on in action. Maybe he needs an alcohol test. Some Members of Government seem to be totally drunk. Anyway!

So, coming back to this and I hope I am not interrupted again through your intervention, Sir. I am sure you will intervene since you have not done so yet.

When I read this and I ask this person, who is the Director of the Integrity and Anti-Corruption Section of the African Development Bank, to confirm whether or not he has communicated a summary of this report to the hon. Prime Minister? Why he has communicated it only to the Prime Minister and not, first and foremost, to the investigative body which is either the ICAC or the Financial Intelligence Unit? Why he has chosen to go to the Prime Minister first? And I asked him to confirm it. The first time I was in touch by mail was on the 14 of June and yesterday, last night, we have had exchanges. I ask him to confirm that. He has not been able to confirm that any report whatsoever was given to the hon. Prime Minister. If there was a report given, he would have said simply: yes, a report was given. He has decided clearly to say here nothing...

(Interruptions)

Where is it? Where is the confirmation?

(Interruptions)

Where is the confirmation?

(Interruptions)

Mr Speaker: There is a point of order there.

Mr Dhunoo: Mr Speaker, on a point of order, he is misleading the House and he is saying that the Prime Minister is lying.

(Interruptions)

Mr Speaker: Let us see what is happening.

Mr Dhunoo: Where is the relevancy to the debate?

(Interruptions)

Mr Speaker: There is no point of order.

Mr Dhunoo: Point of order 47.

Mr Speaker: However, hon. Mohamed...

Mr Mohamed: Yes.

Mr Speaker: if you are quoting from an email or whatever...

Mr Mohamed: Yes.

Mr Speaker: you have to table it.

Mr Mohamed: I will.

Mr Speaker: And the Clerk will have to authenticate it before we proceed.

Mr Mohamed: I will.

Mr Speaker: Table it now before we proceed.

Mr Mohamed: I am reading through the mail and I will table it afterwards.

Mr Speaker: As soon as you finish.

Mr Mohamed: As soon as I find it reasonable to and I will table it during my speech.

Mr Speaker: No. The Chair has to know whether you are quoting from something reliable or not.

(Interruptions)

Mr Mohamed: Oh God. Mr Speaker...

Mr Speaker: The Chair has to know, hon. Mohamed.

Mr Mohamed: Mr Speaker, I find if you are to allow me some leeway to continue my speech.

Mr Speaker: Yes, yes, there is no problem with that, but as soon as you finish, you just...

Mr Mohamed: Of course.

Mr Speaker: not the whole speech...

Mr Mohamed: Yes.

Mr Speaker: But that part.

Mr Mohamed: Which part?

Mr Speaker: Table this email.

Mr Mohamed: Which part?

Mr Speaker: That part you are talking about the email.

Mr Mohamed: Yes. I will table it.

Mr Speaker: Proceed.

Mr Mohamed: Good. So I asked him specifically to confirm and I succinct that email again - I said from the 30 of June at 2.13 in the morning and I wrote: ‘whether your organisation shared a summary of the report with the Prime Minister, if so, why is it that your Office chose to share such information only with the Prime Minister thereby allowing him to breach supposed confidentiality by publicly referring to names of politicians supposedly contained therein and why did your office not share this executive summary with the Head of an investigative body. Why is it that the Head of the Mauritian administration was shared with him instead of an investigative body first?’

Now, it is up to him to continue his communication with me and to say that he did share it and he sticks to it. No. He has, up to now, the whole day, in spite of being having exchanges with me, the hon. Member from this Parliament because hon. Hurreeram asked just now: who are you? I am an elected Member just like you are. It does not mean because you are on Government side that you can say whatever you wish.

(Interruptions)

I am an elected Member.

(Interruptions)

Mr Speaker: Hon. Member, behave yourself.

Mr Mohamed: I don’t know. He just gets excited, I don’t know why. He feels the pain.

Mr Speaker: So, you are ready to table it now?

Mr Mohamed: Yes, I am ready to table it. So, when I asked him for the first time on the 14 of June, he said and I’ll read: ‘We cannot assist with your request for copies of our internal documents’ and he goes on: ‘They cannot be shared even with our shareholders’. Who are the shareholders of the African Development Bank? The shareholders of the bank are, in fact, many countries that are on the Board and some of those countries are even countries members of the European Union, that very European Union that has blacklisted us. This cannot even be shared with their shareholders. And when I asked him to give it to us, since I put it to him - you have shared it with the Prime Minister. He says: ‘I maintain the first position. It cannot be shared even with our shareholders’. This man has difficulty. Mr Bacarese has difficulty even saying and I table it - even saying that he has shared it and *il assume ce qu’il a fait. Il n’arrive même pas à venir confirmer...*

Mr Speaker: Can you please...

Mr Mohamed: You don't have to get excited so please...

Mr Speaker: I am not excited please.

Mr Mohamed: But I have the impression you are...

Mr Speaker: There is a procedure in the House.

Mr Mohamed: Yes, but I have the impression...

Mr Speaker: Don't discuss with the Chair!

Mr Mohamed: But I don't like it when people are screamed at by you.

Mr Speaker: Carry on.

Mr Mohamed: She is doing a job, do not scream at her.

Mr Speaker: Carry on with your speech.

Mr Mohamed: I will, but there is no need to scream at the lady. The lady is doing a job.

(Interruptions)

So, as I was saying. The hon. Prime Minister wants us...

(Interruptions)

We are saying again. I underline it. We are for a change in legislation. I am happy that the hon. Minister has brought forward this piece of legislation. I am not criticising the legislation, but what I am saying is very simple. What are the consequences of being blacklisted. Important for people to understand. Could we have avoided this? Simple question and if we had avoided it, what would be the consequences of such an avoidance of being blacklisted? So, my question is very simple. When one looks today at this situation, the consequences, as I have said, putting in danger more than 14,000 jobs; putting our relationship with correspondent banks in dire strait, creating a situation where a father needs to send money to his child abroad even for 3,000 US dollars. Banks abroad are saying: we will not accept this money because you are a blacklisted jurisdiction. Simple effect of being blacklisted. Simple. The Government should not sell dreams and false hopes to the sector. Do not sell dreams and hopes. What I am saying is that: we will only stand by you if you speak the truth. The hon. Deputy Prime Minister says to stand by them as one people, as one nation. As one people, as

one nation, we will stand by you, but do not give a false picture to the people. Tell them the truth. We are a country of inhabitants that respect people who speak the truth and they are courageous enough to take the truth however hard it may be. That is what I am saying. Today, our country is going through difficult times and yes, we want also, all of us, to get out of this situation. There is no need to be judgmental and to believe that you will take the high monogram by judging us. But we are going to show and I will show you why this will not work. But when I tell you it will not work, what I am inviting you to do, Mr Speaker, through you, this Government is to react to those comments I am making and not to be on the defensive, always on the defensive.

(Interruptions)

I am saying...

(Interruptions)

That is not what you said to me just now. Anyway.

Mr Speaker: Hon. Members.

Mr Mohamed: You speak different languages depending where you are. Anyway. *Un peu kontan batt di beurre twa.* Anyway.

(Interruptions)

No, not since yesterday actually. So, as I am saying, let's look at it. Let's look at the situation. The hon. Deputy - oh sorry, the former Deputy Prime Minister says, in a radio interview, that all of us heard, that he knew nothing about this whole issue and I am going to try to get at a very important element which is why I do not believe the measures will work, but there are certain things that must be done in order for it to work. That is what I am trying to get at. I am here referring to the role of ICAC and the investigative body has to be able to demonstrate. The Government has to be able to demonstrate to the institutions that ICAC has the capacity to act independently and has the competence to act, to investigate. The Financial Intelligence Unit must be able to demonstrate that it has the ability to act and to investigate, and to act without being under the influence of Government, independently. That's what he must do.

So, I have got two questions, and my aim here is to show - I am not saying that the Head of the FIU is someone I have no respect for; I have the most respect for him. He knows it, I have said it to him and I say it publicly. But I am not saying that Mr Beekarry is someone I have no respect for. What I am saying is that the manner in which they work, the

system within which you work is such that you are not given the freedom to operate independently. I will give you an example. I am aware that people at ICAC and I am aware that people of the FIU are people who would want to make their country proud. They have got the ability to, but the Government does not give them the tools to, and I will show why. Let's imagine what the Deputy Prime Minister said. He said on a radio station, on *Radio Plus* that he was not aware of what happened before finding out in a Press communiqué about the Saint-Louis Gate. Rs700 m. corruption matter or maybe more, I don't know. No one knows! But what we know is that he says that a lawyer advised - we all heard that - that it was not necessary to go further and report it. It was not necessary to report to the ICAC. And when I read and hear - those from the Financial Intelligence Unit who are present in this House today will understand what I am getting at and I say it to be constructive. When I read the FIAMLA legislation, section 14, it talks about the duty to report suspicious transactions. When you read the communiqué from the Danish Company, it is a suspicious transaction and it should raise red flags for them as professionals, as a lawyer who is one of those persons, in the Schedule of the FIAMLA, who has this duty under law to make a report and if he does not report, he can be prosecuted and if he is prosecuted, the fine is quite a heavy fine. Now, this is not something I am inventing. This is fact. And if someone does not report, the offence is he is liable to Rs10 m. and to imprisonment for a term not exceeding five years. And section 14 clearly imposes a duty to report. The law says -

“Every bank, financial institution (...)”

And it goes on to refer to -

“(...) member of a relevant profession or occupation shall, as soon as practicable but not later than 15 working days from the day on which it becomes aware of a transaction which it has reason to believe may be a suspicious transaction, make a report to the FIU of such transaction.”

The FIU cannot plead ignorance. Why is it that the Head of the FIU is not given security of tenure like the Commissioner of Police? Why is it that he is not given security of tenure? Why is it that he has to live in a system where it is the President who will decide he will be there and he can be removed without any difficulty if the Head of Government decides to remove him? Why? He should be given security of tenure to show that he is independent; he is going to be competent.

(Interruptions)

I am talking about competence, Minister Balgobin! I am showing someone behind you. So, what I am getting at here is very simple. Section 14 clearly says there is an obligation. Why is it until today no one who was specifically referred to by the former Deputy Prime Minister has been bothered by the Financial Intelligence Unit? This is precisely what we are being blamed for and taken to task by the European Union, by FATF, by ESAAMLG. Look at it! We are told that our institutions do not act when they have to act independently. Why is it, up to now, no lawyer has been called in when the law provides for such fines, but action zero? Simple question!

Secondly, I will show why we cannot believe ICAC again. Section 44, Mr Speaker, Sir, - basically of the Prevention of Corruption Act - says there is a duty to report acts of corruption offences, and I quote –

“Where an officer of a public body suspects that an act of corruption has been committed within or in relation to that public body (...)”

He does not have to have evidence of corruption. He just has to have suspicion. He does not have to have clear-cut case. It is not his job. Suspicion, reasonable suspicion! When you have a communiqué and a letter from a Danish Company being sent and the Board is apprised of that fact. Who was on the Board? The Acting General Manager, Mr Mukoon. He was informed. Did he report it to ICAC? He has an obligation upon him to report it to ICAC. Why is it, until today, he has not been arrested for that offence under section 44? Why is it that the Chairman who recently resigned from the CEB and then he became a candidate in Constituency No. 19, and then when he lost, he was back in the CEB? Fair enough! I find this totally unethical, but he has not been arrested for this under section 44. Why? Why is it that all the members of the Board of the CEB who were present were not arrested? I will not name them, but I have their names. They were not arrested, never bothered by the ICAC. Why? When I read what the FATF Report on Mauritius says, it says that one of the issues is precisely that there has to be demonstration that the law enforcement agencies have the capacity to conduct money laundering investigations, including parallel financial investigations and complex cases.

So, I have just given you two examples, Mr Speaker, Sir, where there was an opportunity to demonstrate that fact; simple demonstration. Simple demonstration that we are not here only to vote laws, because the youngsters outside, the people in Mauritius outside listening to us today would like to know what is the point of us coming to this

Assembly today. To simply make noise, to simply give ideas that are not going to be listened at, people are not going to listen, people are not going to talk? This is an example of how you could demonstrate the effectiveness of law enforcement agencies. Two instances! Therefore, my question is: Why is it that the Financial Intelligence Unit has not acted? Why is it that the Financial Intelligence Unit has not called upon that lawyer? Why is it that the ICAC has not called upon the members of the Board under section 44?

My point here, Mr Speaker, Sir, it is not a question about scoring political goals to be patriotic or not patriotic. I have just indicated to you two instances that would be sufficient for us never to come back, within the time frame we would wish for, off the black list because this is failure in line with what I have just read. Why is it that the Director General of ICAC is not given security of tenure as well? Some would say: "Well, the law was changed at the time when your Leader was Prime Minister." The time has come where - if hon. Ganoo says I am right, I thank him for realising that. But then, again, what I am trying to speak about - now I am talking about patriotism - is I am concerned with what do we do in order to remove us from the mess because we all agree, we are in a mess. So, what do we do? We ensure that we change the law to give *les lettres de noblesse* to those institutions. We give them tools to function because they are people who want to work in the interest of the country. We make sure that those are not people who are at the beck and call of Ministers; at least, there should be no perception that they are.

And today, this is where we are failing. I am not concerned, Mr Speaker, Sir, about what happened in the past. Let's even forget about what may have been done or not by this Government since they were in power since 2015. All of us have a common responsibility, not of basically saying, "You did better" or "I did worst". That's not the point! The point is there is a mess, how do we sort it out. And this law is not sufficient. I say I am for it, but it's not sufficient. Because if you continue having the perception of incompetence, if you continue having the perception of lack of independence, if you continue having the inability to act by ICAC and FIU - and I haven't even spoken about the FSC because people are going to say then it's too politically charged. Let me not talk about the actual Minister of Finance and the position he had before. My friends have spoken about it in detail. But let us concentrate on getting us out of this mess.

Mr Speaker, Sir, my friends have covered a lot on this particular issue. I will give you a last example. Who doesn't know about the problems between ICAC and the Financial

Services Commission? You have Kriti Taukoordass who is asked to make a report, a special investigation report on New Mauritius Hotels. This is about the Securities Act; this is about the Financial Services Commission; this is about, once again, the effectiveness of an institution to operate within the parameters of the law. Let us analyse this case very rapidly. ICAC wants to lay its hands on the special investigation report. The Financial Services Commission doesn't want ICAC to have it. Bravo!

We have a beautiful case of effectiveness of institutions collaborating with one another, and instead of working together, they are working at loggerheads. Finally, the report is not out; the matter is stuck before the Supreme Court. Let us keep on waiting, but at the end of the day, I am not here to say who is right and who is wrong as far as the report is concerned. Let's not get into that. I know what's in the report, but let's not get into that; another day perhaps, but, today, the effectiveness of institutions.

Mr Speaker, Sir, I must say that it does not help at all when you have someone - I think hon. Uteem referred to it very briefly - who was on the Board of ICAC and then this young lady is removed from ICAC Board by the MSM, she resigns and then she is put as a candidate in Constituency No. 2. And then, when she loses, she is given a new nomination; Air Mauritius. And then, you have someone else also, he is basically another member who was on the Board of ICAC and he resigns to be a candidate in Constituency No. 18 - the son - and after elections, he gets a nomination. Now, this is political incest and this is something we must avoid.

Mr Speaker let me conclude on saying the following. You see, I have been asking myself the following question for a few weeks now and the question I am asking myself is: what is the purpose for us being in the National Assembly? The purpose for us to be here is to ensure that our present is made a better present and the purpose of being here for us is also to ensure that the future that will not necessarily be ours is made a better future. That is the reason why we are here. There is no other reason for us to be here. The fact that we continue trying to take the moral ground by insulting the Opposition who is entitled to have its own views does not help the debate. I have listened to many people reading, beautifully, pre-prepared documents to come to this Assembly. I wonder sometimes whether they prepared it.

Mr Speaker: You have exceeded your time!

Mr Mohamed: Yes!

Mr Speaker: Try to conclude!

Mr Mohamed: Yes, others have taken less; so, let's be fair. And now, the whole point of a debate, Mr Speaker, Sir, is to have a clash of ideas. I have noted that all ideas that we have expressed is in the interest of the people and the nation. We don't have to say we are patriots to act in a patriotic manner. We do what we believe is right and we do it without any fear or favour. Now we hope the Government can, for once, give us hope again, give us hope that what we say to you, you will manage to listen to it and bring corrective measures. Give us hope because you can only give the people hope if you listen to others. The way we think is not necessarily the best, but the way you think is not necessarily the best way as well.

When we say that we want you to give security of tenure to those institutions we mean it; give it to them. If we didn't do it in the past, fair enough. If we could have done it in the past but didn't, fair enough, we were wrong! But what do you do now? You are in power for the past six years. What do you do about it? The Minister will go down in history as having missed an opportunity if he does not, at least in his summing-up, address this issue of security in tenure. I am not here laying the blame at your feet. I am just saying the blame will be at your feet if you do not at least pay attention to our honest suggestion, and that is a patriot talking.

Thank you very much.

Mr Speaker: I have to report to the House that the correspondence was between hon. Shakeel Mohamed and Mr Bacarese and, from what I gather, there is no official document from the ADB or whatever institution. It is just personal correspondences and, therefore, not receivable.

Hon. Gobin!

(Interruptions)

(10.43 p.m.)

The Attorney General, Minister of Agro-Industry and Food Security (Mr M. Gobin): Thank you, Mr Speaker. Thank you for giving me the opportunity to lend my voice in support of the Bill which is before the House.

I want to immediately react to what hon. Mohamed has said. He was hoping that we would listen carefully to what he has said. I have listened very carefully to what hon. Mohamed has said. I have listened very carefully to what other Members of the Opposition have said. But there is one word which cannot go down very well, which is not consonant

with the tradition of this House and that word is the word 'coward' or 'cowardice'. I would, therefore, very humbly but politely and in a friendly manner, invite my learned friend at the Bar and the hon. Member who was preceding me to withdraw that word, to be in compliance with the traditions of this House, insofar as parliamentary words are concerned.

(Interruptions)

Tire li.

(Interruptions)

Mr Mohamed: Sorry, I did not hear you.

Mr Speaker: The hon. Minister is asking you to withdraw the word 'coward'.

Mr Mohamed: I withdraw the word 'coward'. Is he happy now?

Mr Gobin: Thank you very much. That is more honourable and consonant with the principles of this House.

Mr Speaker Sir, if we have to sum the argument in the clash of ideas which has taken place tonight, we may sum it up by saying that almost all, if not all the Members of the Opposition have said that they are for the amendments; '*c'est un pas dans la bonne direction*'. Hon. Mohamed even said that it is a must and, of course, we welcome that. But, however, they have tried to portray a situation where the international observers, the international bodies like the FATF or the EU when they look at us, they find strange cases which lead them to put us on a grey list or a black list. Examples have been given that when the international observers or the rating agencies, whether it is the FATF or the EU, they look at us they see cases coming from Angola.

They see the Dos Santos. Hon. Uteem mentioned quite a number of names. They see cases like Choomka, Sumputh, etc. I have been trying to note down, there were quite a few. So, it is because of all these names that the ...

(Interruptions)

Mr Mohamed: Mr Speaker, Sir, I do apologise, I don't want to interrupt. Mr Speaker, you rejected my email but you gave it to hon. Ganoo? I am sorry, if it is mine, please ask me.

Mr Ganoo: I would have said that this is another act of cowardice. This is the Erskine May that I took from the Speaker's table, not the document that you just produced. This is Erskine May.

Mr Speaker: So apologise!

Mr Ganoo: You should not make false accusation, please!

Mr Speaker: Just apologies! So, why you stopped for nothing? You should be sure. Not even a point of order. Come on! I apologise on your part.

Mr Gobin: So, Mr Speaker, Sir, what the Members of the Opposition have said tonight is that because of the cases coming from Angola or I don't know which other country or because of the names of some persons who have used or abused of our financial services centre, the rating agencies or the international bodies have put us on a grey list or a blacklist.

Mr Speaker, Sir, what we need to inform the population about is.

(Interruptions)

Mr Speaker, Sir, what the people of Mauritius have to be informed of.

(Interruptions)

Mr Speaker: I am studying your mail. Come on, don't interrupt!

(Interruptions)

Please!

(Interruptions)

Hon. Shakeel Mohamed, you just had the floor, give the hon. Minister the floor!

(Interruptions)

Mr Gobin: Mr Speaker, Sir, you see the last time that this House was debating AML/CFT issues was in May last year and specifically it was on 21 May 2019. That was when there were two Bills before the House. I am making reference because of the disturbances in the House. The two Bills were the United Nations (Financial Prohibitions, Arms Embargo and Travel Ban) Sanctions Act (No. VII of 2019) and the Anti-Money Laundering and Combatting the Financing of Terrorism and Proliferation (Miscellaneous Provisions) Bill (No. VIII of 2019). And the debates were on 21 May 2019. That was a Tuesday. Do you know what happened during the debates of those two Bills, Mr Speaker,

Sir? I am reading from Hansard. Hon. Shakeel Mohamed had the floor and then at some stage, I just read Hansard, it says – “interruptions, interruptions, interruptions, interruptions and at this stage, all Members of the Opposition left the Chamber.” This is typical of the disturbances but, fortunately, on that day, they were present for the Question Time but then left the Chamber for the debates, and for today, it is the reverse.

(Interruptions)

Mr Speaker: What is the point of order?

Mr Uteem: I was there last year and I intervened on that Bill. So, how can he say that we left before the Bill?

Mr Speaker: No, this is clarification. This is not a point of order.

Mr Gobin: Mr Speaker, Sir, no!

(Interruptions)

Mr Speaker, Sir, I am very kind enough to give way when hon. Uteem wanted to ask a question. This is not Question Time and this is not even a point of order. I stated when hon. Shakeel Mohamed had the floor; then there were some interruptions and all the Members of the Opposition left the Chamber. Whether he had spoken before hon. Shakeel Mohamed or not, this is not Question Time, Mr Speaker, and I am not going to give way once again. I have a speech to make. We had listened carefully and patiently to them ...

(Interruptions)

Mr Speaker: Order, please!

Mr Gobin: ... now, it is their turn to hear us. Now, I was saying today it was the reverse. So, the Opposition was not here during Question Time but then walked back in for debates and we thank them for that because we need the clash of ideas. It is very good that they are present. So, thank you all Members of the Opposition for coming back to the House for the clash of ideas. What I am saying to the people of Mauritius is that let us assume and I am putting the question to the people, I am putting the question to all the Members of the Opposition. If we assume that their argument is correct, that when the FATF, the EU and all the International Observers, the EU Diplomats look at us, what do they see? They just see Angola, they see Sobrinho and they see a few names, I forgot about them. This is all that they see. Let me say something what they also see when they look at us, the Diplomats, the FATF, the EU, they see one day in 2015 for the first time of their life, they see it at the highest level

of Government, the highest person has a coffer which is opened and you see hard currency, cascading down that coffer. This is what they see. So, when they see that, they only see that, what happens? And they say: ‘Oh my God, this is happening in that country.’ We did not know about that. This is the first time that we see this. Why am I saying all this? Because in all these complicated legislation on AML and CFT, on all these complicated issues of AML and CFT, when you hear all the debates about these Bills, the people asked themselves a question: ‘What is happening, what is all this about and why are we amending this legislation?’

Secondly, they say, as if Mauritius is the only country where we are having to amend legislation to live up to the ever changing methodologies, to the ever changing regulatory framework Internationally.

Let me give a few examples for the people to see what is the background and that is not new in the world. For example, let me take the international banks, Mr Speaker, Sir.

Mr Speaker: Order, please! Hon. Assirvaden, please give him the floor. You already had the floor and nobody interrupted you. Please, continue!

Mr Gobin: Mr Speaker, Sir, let me give the international scene, the background what has been happening for maybe the last 10 years or even more. Reputable international banks have been fined all over the world because of the ever changing regulatory framework for AML and CFT. I have a few examples to give for international reputable banks. HSBC, for example, in December 2012, in 2019, November 2017, even in 2007, that bank has been fined. For example in December 2012, that was in the United States \$1.92 billion of fine imposed on the HSBC. Why? Because it was accused for money laundering, linked to the drug cartel and terrorism for which it had failed to take sufficient measures.

In the latest example, in 2019, HSBC private bank, which is *la filial Swiss du groupe*, 300 m. Euros of fine. Why? Because it was accused of having helped some of its wealthy clients to defraud Belgium Government. And that is not all; you have other international reputable banks like Barclays. Barclays in 2014 –

“une amende de 26 million de livres, la banque Britannique épinglée par le régulateur des marchés pour des manquements sur le marché de l’or. »

In 2015, Barclays once again –

“une amende de 72 millions de livres, à la banque Barclays pour n’avoir pas correctement contrôlé une transaction de riches clients.”

“L’Autorité de conduite financière (FCA) a expliqué que Barclays n’avait pas pris les précautions qui s’imposent pour «réduire les risques que ces fonds soient utilisés pour faciliter la criminalité financière.»

Another Bank, BNP Paribas, \$8.9 billion of fine in relation to subprime in 2014! A group of banks J. P Morgan Chase, Citigroup, Morgan Stanley, Bank of America, all fined. Goldman Sachs fined; Deutsche Bank and all of them. Why am I giving this example? Because the regulatory framework always evolves in order to tighten the regulation and to plug in loopholes. Criminals always find ways and means to circumvent the law. This is why legislations need to be tightened all the time. The last time we did it was in May 2019 and this time, we are once again coming to the House to tighten loopholes. And which loopholes, for example? Which ones?

The first one on the Bill, when we look at it, is the Banking Act. When we amend the Banking Act, why are we amending the Banking Act? To empower the Central Bank to go for Risk-Based Supervision and onsite inspection.

You see, when all the Members of the Opposition name a few cases, whether it’s from Angola or from another country, in all those cases, whether it’s Jean- Claude Bastos de Morais, and in fact, I open parenthesis and ask my good friend, hon. Lobine, to check with his Leader, hon. Xavier-Luc Duval, in which year, Mr Jean-Claude Bastos de Morais *est venu déposé ses valises à Maurice? Quand? En quelle année?* I invite him to have a conversation with hon. Xavier-Luc Duval and ask him in which year.

Now, there are two certainties in all these cases. Two certainties, out of so many others, but there are two. One is there must be a management company concerned. And I put the question: which management company are we talking about in all these cases? The second certainty: is there always will be a bank? Because they don’t come here with coffers and cash in their suitcases. There is always a banker; there is always a bank account. Where is the loophole? The loophole is the Risk-Based Supervision of those financial institutions. And this is the loophole, we are plugging tonight!

When I have given the examples of so many international banks being caught in the net, now we will see about effectiveness going forward, once we amend these legislations and then we will see about those who tried to play smart. I don’t want to give names, but it is so

unfair in debates in this House to come and say that the new Governor of the Bank of Mauritius hasn't done his job. He is a big boy, I am sure he will defend himself. He was appointed hardly, I don't know, six months ago, out of which we have to discount three months for the COVID period. That leaves three months. So, you want him to go for Risk-Based Supervision in the local banks in three months' time and come with results. You see it's easy to blame the current Governor because it's appointment of this Government.

Let me remind the Members of the Opposition. There was once a Governor of the Bank who was appointed on the recommendation of the Prime Minister, as it is the case in the Labour Government. When his appointment was the letter, the recommendation for his appointment was going to State House for the President to appoint him, over here in the Ministry of Finance, the Minister of Finance was signing his resignation letter. That was a clash. There was a clash of an economist sitting as the Minister of Finance and an economist being appointed as the Governor of the Bank. They cannot give us lessons. We agree that there should be effectiveness, but practise what you say. If you say, we should come together as a country to get out of this mess, then start by saying positive things and proposals instead of saying what you have said tonight.

On the AML/CFT regime, Mr Speaker, Sir, this country has always incrementally made progress. They have come here again and they say, especially hon. Lobine, where is the FCC? Mr Speaker, Sir, the tragedy is that they create disturbances, they create a scene, then they walk out and then they are not aware of what happens in the House. On Committee Stage, they had walked out. But, in the meantime, what was happening here? We had voted Rs10 m. for the creation of the Financial Crime Commission on Committee Stage Day here for this Budget. They were not aware because they were outside.

(Interruptions)

Sirement tone mériter pou met twa dehors. To bizin meriter pou met twa dehors.

(Interruptions)

Mr Speaker: Order! Hon. Uteem!

Mr Gobin: So easy for criticisms to be laid. I heard hon. Mohamed saying that we should, he is in the hope that we will listen. Yes, we do, we do, we honestly listen. We don't make noise like they are doing right now. We do listen. But, more importantly, hon. Mohamed single out the issue of a security of tenure for the Director of FIU. Maybe he is saying so because the Director is present tonight. But, did the FATF or the EU mention the

issue of a security of tenure for the Director of FIU? We will pay heed to what you say, but we will pay heed more importantly to what the FATF has to say and the EU has to say, because they are the independent institutions. I am afraid to say they are not giving us the independent advice which they pretend they want to give us. So, we will go by what the FATF says and the EU Recommendations.

Coming to the EU, Mr Speaker, Sir, it is my duty to say so. It is unfortunate that we have been put in this situation by a long-standing partner like the EU. The relations have always been with EU and ACP excellent. It is unfortunate that in the middle of a COVID crisis, we were given this. There was a leak on Reuters that there was going to be a blacklist, which came two days later. I think it was on 07 May.

And by pure coincidence, on that very same day, there is a new Methodology which is released by the EU block. And the hon. Leader of Opposition said we need to act together. We did act together. Hon. Minister of Foreign Affairs will speak after me and he will give the details as to how the ACP blocks stood as one to say - I want to use the proper word - how they do not appreciate the way which ACP countries have been treated in this latest list which came out on 07 May.

We are exploring all possibilities, Mr Speaker, Sir, to get out of that list. We are exploring all possibilities locally, regionally, internationally with the help of friendly countries, ACP group and likewise the other countries are doing the same. We are mutually helping one another and I am confident we will get out of that list.

Before ending, there is something else I want to say to the people of Mauritius once again, is we are amending not only the Bank of Mauritius Act, but we are also amending the Financial Services Act. Similarly, to empower the FSC to conduct a Risk-Based Supervision in the management companies, because some, I say some, it's perhaps just a few who play the fool and they need to be taken to task and they will be taken to task.

There are other amendments, Corporative Societies and especially, very interesting this one, you see the amendment to the Jewellery Act. You see, Mr Speaker, Sir, it's very important to mention the Jewellery Act. You know why? Because when the FATF or the EU people sit other there, far from us, 10,000 kilometres away and they watch Mauritius, you know what they see? They don't only see Angolans and Bastos de Morais, they also see people buying Rolex watches, right, which the people of Mauritius know. Perhaps, if I am mistaken, *je ne suis pas dans le secret*, I don't wear these things, the minimum price for such

a thing is perhaps Rs1 m. The minimum price, if I am not mistaken! Some people wear it here, they lose it and it's on the papers, and then one week later, they buy another one. *Bizin ena classe pu fer sa!* So, when all this comes to light then you see what happens. It is easy to criticise. So, now, we are amending the Jewellery Act. We will see how people get away with *les actes anodins - auparavant, mais maintenant non.* We are also amending legislation so as to know who are the ultimate beneficial owners in arrangements. Now, we will know who ultimately own structures, companies, foundations, trusts, etc... We will know who the beneficial owners are and then...

(Interruptions)

Trust la kott to si ena sa hein, croire mwa! And we know! Somebody is being very silent all of a sudden.

(Interruptions)

I will end on this one. Although, Mr Speaker, Sir, you have ruled that the document is inadmissible I, therefore, cannot have sight of it and I cannot comment on it, but what hon. Mohamed has said is indeed very serious. He has stated - and I wrote it - that the report was supposedly from the AFDB and that he has written to Alan Bacarese. It is good for him if he has done so, but I am not in possession of that report, so I will not venture to comment, but I am sure that he should be listening tomorrow for the reply of the Prime Minister, hon. Pravind Jugnauth, and then he will hear what is the real truth.

I thank you, Mr Speaker, Sir.

Mr Speaker: Hon. Minister Bodha!

Mr Bodha: Mr Speaker, Sir, I beg to move for the adjournment of the debates.

Mr Ganoo rose and seconded.

Question put and agreed to.

Debate adjourned accordingly.

ADJOURNMENT

The Deputy Prime Minister: Mr Speaker, Sir, I beg to move that this Assembly do now adjourn to Tuesday 07 July 2020, at 11.30 a.m.

The Vice-Prime Minister, Minister of Education, Tertiary Education, Science and Technology (Mrs L. D. Dookun-Luchoomun) rose and seconded.

Question put and agreed to.

Mr Speaker: The House stands adjourned.

At 11.08 p.m., the Assembly was, on its rising, adjourned to Tuesday 07 July 2020 at 11.30 a.m.

WRITTEN ANSWERS TO QUESTIONS

NATIONAL SECURITY SERVICE - SURVEILLANCE ACTIVITIES

(No. B/145) Mr P. Assirvaden (Second Member for La Caverne & Phoenix) asked the Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister for Rodrigues, Outer Islands and Territorial Integrity whether, in regard to the National Security Service, he will, for the benefit of the House, obtain therefrom, information as to if the mode of the surveillance activities thereof has been reviewed and, if so, indicate the –

- (a) nature thereof, and
- (b) reasons therefor.

(Withdrawn)

VILLAGE COUNCIL & MUNICIPAL COUNCIL ELECTIONS

(No. B/154) Mr D. Ramful (First Member for Mahebourg & Plaine Magnien) asked the Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister for Rodrigues, Outer Islands and Territorial Integrity whether, in regard to the Village Council Elections and Municipal Council Elections, he will state if same will be held and, if so, when.

(Withdrawn)

COVID-19 PANDEMIC - HOTELS – QUARANTINED CENTRES - CRITERIA

(No. B/155) Ms K. Foo Kune (Second Member for Beau Bassin & Petite Rivière) asked the Deputy Prime Minister, Minister of Housing and Land Use Planning, Minister of Tourism whether, in regard to the hotels converted into Quarantine Centres, he will state the criteria used for the selection thereof, indicating –

- (a) the procedures followed therefor, and

(b) who took the final decision therefor.

Reply: The COVID-19 pandemic is considered to be the defining global health crisis of the 21st century and represents one of the greatest challenges our country has faced since World War II. Nobody knew, at the time it first hit, what tomorrow might bring. In an effort to contain the spread of the pandemic, Government, under advice of the Ministry of Health and Wellness, considered it necessary and expedient, in the interest of public health, to place in quarantine all passengers arriving from abroad.

I am informed that following the requisitioning of recreation centres for the elderly and other publicly-owned buildings, it was noted that some of these public buildings were not fit to be used for the purpose of quarantine. In fact, bathrooms and toilets had to be shared and were not adequate in numbers to quarantine all the returning travellers and those tested positive locally.

I am further informed that with the coming into force of the sanitary and confinement measures on 20 March 2020, consultations were held with both *AHRIM* and the “*Association des Hotels de Charme*”, who were requested to invite their members to favourably consider requests to use their hotels as Quarantine Centres. As a result, 19 hotels joined the quarantine scheme.

I am advised that this list of 19 hotels was forwarded to the Ministry of Health and Wellness and that the choice as to where to place each cohort was based on accommodation capacity, amenities and facilities available thereat and the location of the hotel in relation to the five regional hospitals.

Following the reduction in the number of endogenous cases and the closing of borders, I am further informed that the number of hotels used as Quarantine Centres has been reduced to nine, based on the number of Mauritians to be repatriated and the requirements of medical and nursing staff.

As the House is aware, there is a High-Level Committee which since the beginning of the COVID-19 crisis in Mauritius has been monitoring the situation on a regular basis. I am informed that the decisions were finalised at the level of this Committee.

PATIENTS INOPERABLE IN MAURITIUS – OVERSEAS TREATMENT

(No. B/156) Ms K. Foo Kune (Second Member for Beau Bassin & Petite Rivière) asked the Minister of Health and Wellness whether, in regard to patients inoperable in Mauritius since border closure amid the COVID-19 Pandemic, he will state the number thereof, indicating –

- (a) the age thereof,
- (b) if any death thereof has occurred due to lack of overseas treatment, and
- (c) the assistance given thereto to receive the required overseas treatment for life-saving.

Reply: I am informed that, as of date, there are 20 patients inoperable in Mauritius awaiting overseas treatment. Fourteen cases have already been recommended by the Medical Board and the remaining six are still under consideration at hospital level for recommendation to proceed abroad.

I am further informed that the ages of the patients are as follows -

- (i) 0-15 - 8 patients;
- (ii) 16-30 - 1 patient;
- (iii) 31-55 - 7 patients;
- (iv) 56-80 - 4 patients.

As regards part (b) of the question, I am informed that three patients who were recommended to proceed abroad passed away. They are -

- (i) one 8 days old baby suffering from cardiac problem who passed away on 19 April 2020;
- (ii) one 39 days old baby who passed away on 24 April 2020 suffering from cardiac complication, and
- (iii) one 10 year old child who was suffering from leukemia, passed away on 25 June 2020.

With regard to part (c) of the question, all the patients are being monitored by their respective treating doctors. Consultants are closely following up those patients and in the eventuality of any emergency, life-saving treatment will be resorted to.

Moreover, one patient proceeded to France on 19 June 2020 for treatment. All arrangements were made by the relatives while my Ministry has approved financial assistance at the cost of treatment which would have arisen had the patients been treated in India, which comes to approximately Rs280,000 as financial aid from the Government. Additionally, my Ministry has agreed to settle air fares for the patient and one person accompanying him, based on the price of air ticket from Mauritius-Chennai – Chennai-Mauritius.

I wish to inform the House that most of our patients requiring overseas treatments are sent to India, being given that we have signed agreements with health institutions there. In this connection, my Ministry has, on 19 June 2020, communicated to the High Commissioner of India, a list of 20 patients who require urgent treatment abroad asking their intervention to expedite their transfer to Manipal Hospital, Bangalore.

The Indian High Commissioner has informed that he is taking up the matter with the Ministry of External Affairs in New Delhi. My Ministry has contacted the relatives of those patients concerned to be ready but, unfortunately, some have refused in view of the situation prevailing in India.

ANGIOGRAPHY MACHINE – DR. A.G. JEETOO HOSPITAL

(No. B/157) Ms K. Foo Kune (Second Member for Beau Bassin & Petite Rivière) asked the Minister of Health and Wellness whether, in regard to the Angiography machine found at the Dr A.G. Jeetoo Hospital, he will state the number of times it broke down since the purchase thereof to date, indicating –

- (a) the total number of days during which it has been non-operational, and
- (b) if measures will be taken to ensure the availability of such an equipment in good working order at all material times at the said hospital.

Reply: I am informed that, since its purchase in 2013 till 2019, the Angiography machine at Dr. A. G. Jeetoo Hospital has had breakdowns, requiring replacement of faulty spare parts and rendered un-operational, on four occasions, namely on 03 February 2016 for 50 days, on 18 April 2017 for 17 days, 05 May 2017 for 13 days and 03 August 2017 for 35 days.

The equipment was under a maintenance agreement post warranty, which was renewed on a year-to-year basis for a period of five years until 21 March 2020, subject to satisfactory performance.

The equipment again broke down on 24 May 2020 due to a faulty spare part and is not functioning.

I am further informed the hospital could not renew the maintenance agreement in view of the lockdown.

A bidding exercise has already been undertaken at hospital level for the replacement of the faulty spare part. The closing date for submission of bids was on 15 June 2020. The purchase order for the procurement of the spare parts for the equipment, for a total sum of Rs838,580.00, has been transmitted to Ducray Lenoir Ltd on 18 June 2020 and is expected to be delivered by the end of this month.

I am informed that, in case of breakdown, patients of Dr. A. G. Jeetoo Hospital requiring angiography services are channelled to Victoria Hospital.

I also wish to inform the House that we have two more Angiography machines, one at Victoria Hospital and the other one at the Trust Fund for Specialized Medical Care. Procedures have already been initiated for the procurement of an Angiography machine for Victoria Hospital.

I am also informed that the Japanese Authorities have agreed to donate one Angiography machine.

As regards part (b) of the question, the Biomedical Engineering Unit will ensure proper monitoring of the machine so that it remains in good working condition.

WOMEN ENTREPRENEUR SCHEME - APPLICATIONS & CRITERIA

(No. B/158) Ms K. Foo Kune (Second Member for Beau Bassin & Petite Rivière) asked the Minister of Finance, Economic Planning and Development whether, in regard to the Women Entrepreneur Scheme, he will, for the benefit of the House, obtain from the Development Bank of Mauritius Ltd., information as to the number of applications received for the granting of loans thereunder as at to date, indicating the –

- (a) outcome thereof;
- (b) eligibility criteria therefor, and
- (c) terms and conditions thereof.

Reply: En ce qui concerne la partie (a) de la question, je souhaite informer la Chambre qu'un montant de 51,8 millions de roupies a déjà été versé aux 197 bénéficiaires, sur un montant total approuvé de 52,1 millions de roupies.

En ce qui concerne la partie (b) de la question, je précise que les femmes entrepreneurs engagées dans tous les secteurs d'activités, à l'exception du commerce et de la construction, sont éligibles à ce programme.

En ce qui concerne la partie (c) de la question, j'ai été informé que dans le cadre de ce programme, les femmes entrepreneurs peuvent bénéficier de facilités de prêt allant jusqu'à 500,000 roupies de la *DBM* à un taux d'intérêt, jusqu'à l'heure, de 3 % par an.

Toutefois, comme annoncé dans le Discours du Budget 2020-2021, l'intérêt applicable aux nouveaux prêts sera réduit de 3 % à 0,5 % à partir de juillet 2020.

Je souligne également que les prêts sont remboursables sur une période de sept ans et comprennent un moratoire d'un an.

La *DBM* ne prend qu'une charge flottante générale sur les actifs du bénéficiaire.

VICTORIA URBAN TERMINAL & IMMIGRATION URBAN TERMINAL - STALLS - ALLOCATION

(No. B/160) Dr. F. Aumeer (Third Member for Port Louis South & Port Louis Central) asked the Vice-Prime Minister, Minister of Local Government and Disaster Risk Management whether, in regard to the Victoria Urban Terminal, he will state the –

- (a) eligibility criteria for the allocation of stalls thereat, and
- (b) actions available to hawkers registered at the Municipal Council of Port Louis in case they are aggrieved by the rejection of their application for the allocation of a stall thereat.

Reply: I am informed by the Municipal City Council of Port Louis that a survey was carried out in 2015 to register the hawkers operating their trade in Port Louis. The survey has revealed there are 1,621 hawkers operating within the jurisdiction of the Municipal City Council of Port Louis which have been registered and approved by the Council. The list has been discussed and agreed with the Street Vendors Association. The allocation of stalls will, therefore, be made as per the approved list.

The Victoria Urban Terminal will provide a hawkers' area of approximately 7,234 m² for the setting up of 1,000 stalls that will accommodate 1,000 hawkers.

I am also informed by the Municipal City Council of Port Louis that the Immigration Urban Terminal has also made provision for 800 stalls for hawkers.

Out of the 1,621 hawkers registered with the Council of Port Louis, 1,000 would be located at the Victoria Urban Terminal and the remaining 621 hawkers at the Immigration Urban Terminal. It is noted that out of 1,800 stalls that will be available, only 1,621 will be allocated to registered hawkers by drawing of lots.

Concerning part (b) of the question, I am informed that all hawkers officially registered with the Council will be allocated with a stall either at the Victoria Urban Terminal or the Immigration Urban Terminal through drawing of lots.

However, if ever any hawker registered at the Municipal City Council of Port Louis would be aggrieved by the rejection of his/her application for the allocation of stall, the latter will have to appeal to that Council.

CURFEW PERIOD - POLICE OFFICERS & HEALTH WORKERS – ALLOWANCE

(No. B/162) Mr A. Ameer Meea (Third Member for Port Louis Maritime & Port Louis East) asked the Minister of Finance, Economic Planning and Development whether, in regard to the proposed payment of an allowance of Rs15,000 to Police Officers and health workers who were mobilised during the curfew period, as announced in the Budget Speech 2020-2021, he will state –

- (a) the number of officers concerned therewith, indicating the
 - (i) amount budgeted therefor, and
 - (ii) when same will be payable, and
- (b) if he is in presence of a request for the payment of a similar allowance to the other front liners who were mobilized during the curfew period and, if so, indicate where matters stand.

Reply: A l'occasion du Discours sur le Budget 2020-2021, j'ai annoncé qu'une allocation de 15,000 roupies serait versée aux officiers de la Police ainsi qu'aux professionnels hospitaliers qui ont été mobilisés pendant la période du confinement.

Au regard de la partie (a) de la question, je souhaite informer la Chambre que cette allocation exceptionnelle au profit des bénéficiaires susmentionnés sera financée par le *COVID-19 Solidarity Fund*.

Le *COVID-19 Solidarity Fund*, en collaboration avec le Département de la Police et le ministère de la Santé et du Bien-Être, définiront les critères d'éligibilité avant le déboursement des fonds.

Une fois les critères d'éligibilité finalisés, la liste des officiers éligibles sera compilée.

En ce qui concerne la partie (b) de la question, plusieurs requêtes concernant l'extension du paiement d'une allocation similaires aux autres *front liners* m'ont été transmises.

Ces dernières ont été transmises au *Managing Committee* du *COVID-19 Solidarity Fund*.

**FINANCIAL SERVICES COMMISSION - QUANTUM GLOBAL GROUP
OF COMPANIES - INVESTIGATION**

(No. B/163) Mr R. Uteem (Second Member for Port Louis South & Port Louis Central) asked the Minister of Financial Services and Good Governance whether, in regard to the Quantum Global Group of companies, he will, for the benefit of the House, obtain from the Financial Services Commission, information as to the outcome of the investigation carried out in relation to the operations thereof, indicating the actions and sanctions, if any, taken against the –

- (a) said Group of companies;
- (b) beneficial owners, and
- (c) directors or management companies thereof.

Reply: In reply to Parliamentary Question B/937 of 02 July 2019 made by my predecessor, the House was informed that following an investigation and other enquiries being conducted with regard to the Quantum Global Group of Companies, the Financial Services Commission had gathered a significant number of documents which were being analysed. He further stated that the Commission was also liaising with various foreign counterparts to assist in the investigation.

I am informed by the Financial Services Commission that an Investigation Report has been submitted to Management and it is being considered for appropriate action.

Section 53 of the Financial Services Act 2007 provides that where the Chief Executive of the Financial Services Commission has reasonable cause to believe that a licensee has contravened any relevant act, any direction or order issued under a relevant act or any condition of the licence, amongst others, he may refer the matter to the Enforcement Committee for such action as the Enforcement Committee may deem appropriate.

Accordingly, with regard to parts (a), (b) and (c) of the question, any action or sanction against the group of companies, beneficial owners, directors or Management

Companies, can be taken only after the Investigation Report will have been referred and considered to the Enforcement Committee.

I am informed that notwithstanding the investigation which was being conducted, following an examination of documents submitted by one of the directors of the Quantum Global Group of companies, it was noted that he omitted to provide certain information in his personal Questionnaire to the Commission on his application for a licence. Subsequently, the Commission initiated action for disqualification against him, to which he has made an appeal to the Financial Services Review Panel. The matter has been remitted back to the Financial Services Commission for resolution.

MAURITIUS & AFRICAN COUNTRIES - DOUBLE TAXATION AVOIDANCE AGREEMENTS

(No. B/164) Mr R. Uteem (Second Member for Port Louis South & Port Louis Central) asked the Minister of Finance, Economic Planning and Development whether, in regard to double taxation avoidance agreements between Mauritius and African countries, he will table the list thereof having been –

- (a) negotiated;
- (b) signed;
- (c) ratified, and
- (d) revoked, since 2014 to 2019 on a yearly basis and since January 2020 to date.

Reply: Je dépose les informations requises par l'honorable membre.

COVID-19 SOLIDARITY FUND - BENEFICIARIES

(No. B/165) Mr D. Nagalingum (Second Member for Stanley & Rose Hill) asked the Minister of Finance, Economic Planning and Development whether, in regard to the COVID-19 Solidarity Fund, he will, for the benefit of the House, obtain –

- (a) information as to the total amount of funds collected as at to date, and
- (b) the list of the beneficiaries thereunder, if any, as at to date, indicating the amount of funds disbursed thereto in each case.

Reply: Le *COVID-19 Solidarity Fund* a été établi en vertu du *Finance and Audit (COVID-19 Solidarity Fund) Regulations 2020*.

Au regard de la partie (a) de la question, j'ai été informé que le total des fonds collectés à la date du 26 juin 2020 s'établit à 169,290,129 roupies.

Je profite de cette occasion pour remercier une nouvelle fois l'ensemble des contributeurs au fonds.

En ce qui concerne la partie (b) de la question, les candidatures étaient ouvertes aux particuliers, aussi bien qu'aux organisations et aux institutions.

Sur un premier lot de 1,660 candidatures émanant d'individus et qui ont été examinées par le *Managing Committee*, 130 individus étaient éligibles pour une assistance financière.

J'ai été informé qu'une somme de 5,100 roupies a été versée à ces 130 personnes, représentant une somme totale de 663,000 roupies.

Pour ce qui est de la liste des bénéficiaires, il ne serait pas approprié de dévoiler les noms de ces derniers.

MAURITIAN NATIONALS - FOREIGN SPOUSE - HEALTH SERVICES

(No. B/167) Mr S. Abbas Mamode (Second Member for Port Louis Maritime & Port Louis East) asked the Minister of Health and Wellness whether, in regard to the foreign spouse of Mauritian nationals, he will state the policies of his Ministry in relation to the health services to which they are eligible pending the determination of their application for citizenship.

Reply: The current policy of my Ministry regarding payment of treatment fees for foreign patients at regional hospitals is that –

“All foreign patients are exempted from any emergency treatment, in the Accident and Emergency Department as Outpatients. However, any foreigner, other than a foreign worker holding a work permit and any Comorian patient referred by the Comorian Authorities, admitted in our hospitals should pay relevant fees”.

Based on the existing policy, foreigners married to Mauritians and having only a Residence Permit are subject to payment of applicable fees at hospital as inpatient.

A new policy is being worked out at the level of my Ministry, in consultation with the authorities concerned in respect of foreigners married to a Mauritian and holding a Residence Permit to be exempted from payment of treatment fees.

INSURANCE COMPANIES - ELECTRONIC PAYMENTS

(No. B/168) Mr S. Abbas Mamode (Second Member for Port Louis Maritime & Port Louis East) asked the Minister of Financial Services and Good Governance whether, in regard to the payment of premiums to holders of insurance policies, he will state if consideration will be given for proposed amendments to be introduced to the Insurance Act to allow for electronic payments through credit or debit cards or other modes of payment, as announced in the annex to the budgetary measures of the Budget 2019-2020 and, if so, when and, if not, why not.

Reply: I wish to clarify in the first instance that payment of premiums is made by policyholders to insurance companies and not by insurance companies to policyholders. On the other hand, insurance companies pay claims or any other amount due to policyholders, as per the terms and conditions of their policy contracts.

I am informed by the Financial Services Commission (FSC) that insurance companies are already collecting premiums through credit cards and other electronic means. There is, therefore, no need for any legislative amendments to be brought to this effect.

The budgetary measure announced in the Annex to Budget Speech 2019-2020 relates to an amendment to be brought to the Insurance Act to allow an insurance salesperson to make electronic payment through credit or debit cards or other modes of payment facilities provided by any banking institution. It is understood that this measure was announced taking into consideration that Section 77(2) of the Insurance Act 2005 does not allow insurance salesperson to collect and keep premiums on behalf of an insurer or an insurance agent.

I am informed that the introduction of any new product or service requires that it be assessed for its risks, particularly with respect to money laundering and financing of terrorism threats and vulnerabilities. I am accordingly informed by the Commission that a thorough consultation will be carried out with its licensees, that is, the insurance companies to assess the implications for the implementation of electronic payments through debit or credit cards or other modes of payments by insurance salespersons. Thereafter, a Risk Assessment of payment of insurance premium to insurance salespersons will be undertaken prior to consideration being given to introduce, if required, any amendments to the Insurance Act or to any other legislation.

NHDC LTD - MR G. L. - APPOINTMENT

(No. B/169) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the Deputy Prime Minister, Minister of Housing and Land Use Planning, Minister of Tourism whether, in regard to Mr G. L., he will, for the benefit of the House, obtain from the National Housing Development Corporation Ltd., information as to the date of re-appointment thereof as Managing Director/General Manager, indicating his terms and conditions of appointment, including –

- (a) his total monthly pay package, and
- (b) if he is entitled to the use of an official car and, if so, indicate the –
 - (i) conditions of use;
 - (ii) type and make of car, and
 - (iii) purchasing cost thereof.

Reply: I am informed by the National Housing Development Co. Ltd that Mr G. L. was appointed as Chief Executive Officer of the company on a contractual basis for a period of one year with effect from 19 March 2020.

As regards parts (a) and (b) of the question, the terms and conditions of his appointment are being placed in the Library of the National Assembly.

LANDSCOPE (MAURITIUS) LTD – AGRICULTURAL, INDUSTRIAL & COMMERCIAL LAND - LESSEES

(No. B/171) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the Minister of Finance, Economic Planning and Development whether, in regard to Landscape (Mauritius) Ltd., he will, for the benefit of the House, obtain therefrom, information as to the extent of land under the control thereof, in terms of agricultural, industrial and commercial land, respectively and table the list of the lessees thereof, giving details as to extent of land leased and purpose therefor.

Reply: J'ai été informé par *Landscape (Mauritius) Ltd* que 2,808,52 arpents de terres en toute propriété et 325 arpents de terrains à bail sont actuellement sous le contrôle de cette entité.

Sur 2,808,52 arpents de terres en toute propriété -

- a) 2,286,70 arpents sont actuellement consacrés à l'agriculture,
- b) 352,72 arpents sont utilisés pour des activités industrielles,

- c) 169,10 arpents sont utilisés pour des bureaux, des usages commerciaux ou des usages mixtes.

Je suis également informé qu'à ce jour, *Landscape (Mauritius) Ltd* a loué un total de -

- a) 57,23 arpents de terres en pleine propriété à 13 locataires pour un usage agricole,
 b) 201,89 arpents de terres en pleine propriété à 58 locataires pour un usage industriel,
 c) 112,43 arpents de terres en pleine propriété à 66 locataires qui sont utilisés en tant que bureaux, locaux commerciaux ou les deux.

Landscape (Mauritius) Ltd a également sous-loué 170,62 arpents de terrain à 32 sous-locataires à des fins logistiques et industrielles dans le *Riche Terre Business and Industrial Park*.

Je dépose les informations demandées au regard de chaque location et sous-location.

SURINAM - SHELTER (LOTUS) - DOMESTIC VIOLENCE VICTIMS

(No. B/173) Ms S. Anquetil (Fourth Member for Vacoas & Floréal) asked the Minister of Gender Equality and Family Welfare whether, in regard to the shelter in Surinam, commonly known as Lotus, she will state the –

- (b) number of women victims of domestic violence, babies and children sheltered thereat since the coming into operation thereof to date, and
 (c) reasons for the transfer of the nine babies who were sheltered thereat on Thursday 14 May 2020, indicating where they have been placed.

Reply: In regard to part (a) of the question, I am informed that since its coming into operation till date, three victims of domestic violence sought assistance from my Ministry and arrangements were made for their temporary accommodation at Lotus Half Way Home for Women and Children. Two of the victims were accompanied by their children, and each had two and four children respectively. All the victims as well as their children have already left the shelter as at 11 May 2020.

As regards part (b), I wish to inform the House that following the articles which appeared in the Press on 20 and 24 May 2020 respectively, my Ministry has made a statement at the Central CID, Line Barracks at 15 00 hrs on 09 June 2020 (OB No. 420/2020).

An enquiry is ongoing at the level of the Police and a Police Investigation report is being awaited.

SHELTERS - DOMESTIC VIOLENCE & CHILD ABUSE VICTIMS

(No. B/174) Ms S. Anquetil (Fourth Member for Vacoas & Floréal) asked the Minister of Gender Equality and Family Welfare whether, in regard to the shelters for victims of domestic violence and child abuse, she will give the list thereof operating under the aegis of her Ministry and of the Non-Governmental Organisations to which her Ministry refers victims, indicating the –

- (a) addresses and dates of coming into operation thereof, and
- (b) monitoring and follow up actions undertaken by her Ministry for the rehabilitation of the victims in all the shelters.

Reply: All shelters providing emergency accommodation to victims of domestic violence are run by Non- Governmental Organisations (NGOs) namely SOS Femmes, Chrysalide, Passerelle, Safe Haven and Lotus Half Way Home for Women and Children. As for victims of child abuse, who are removed under an Emergency Protection Order (EPO), they are accommodated in three Government-owned Shelters and 15 Residential Care Institutions (RCIs).

I am tabling the list of shelters for victims of domestic violence and child abuse.

With regard to part (b) of the question, monitoring visits are regularly effected by officers of my Ministry in shelters to verify all records, hygienic condition of premises and services offered to victims amongst others.

Moreover, in view of their rehabilitation, the victims of domestic violence are provided with several services, namely –

- a. legal and psychological advice to support women victims of domestic violence and their children;

- b. assistance to victims of domestic violence with regard to their application for a Protection Order, Occupation Order and Tenancy Order under Protection from Domestic Violence Act (PDVA);
- c. provision of psycho-social support as a follow-up after provision of Court Orders under the PDVA;
- d. counselling services to adult perpetrators;
- e. Economic Empowerment Programme to unemployed victims, and
- f. referral to other institutions such as National Empowerment Foundation and Social Security Offices as appropriate, amongst others.

As regards actions undertaken by my Ministry for rehabilitation of victims of child abuse, a multi-disciplinary approach has been adopted whereby the Social Worker, Psychologist, Psychiatric Nurse, Medical staff of the Ministry of Health and Wellness and Police Officers ensure the “*prise en charge*” of the minor by –

- (i) providing Psycho-social assistance;
- (ii) undertaking full medical screening;
- (iii) recording of statement with regard to all criminal cases disclosed during intervention;
- (iv) elaborating a care plan for continuous follow up regarding medical treatment if required, schooling, apprenticeship amongst others;
- (v) exploring the possibilities for the reinsertion of the minor within a family setting through the Back-to-Home Programme, and
- (vi) placing minors in registered foster families to allow them to live for a few years in a substitute family while also ensuring that they are provided appropriate support in terms of their physical, emotional and social growth.

NATIONAL EMPOWERMENT FOUNDATION - CHIEF EXECUTIVE OFFICER

(No. B/177) Mr F. Quirin (Third Member for Beau Bassin & Petite Rivière) asked the Minister of Social Integration, Social Security and National Solidarity whether, in regard to the National Empowerment Foundation, he will, for the benefit of the House, obtain therefrom, information as to if a new Chief Executive has been appointed thereat and, if so, indicate the -

- (a) name of the incumbent, and
- (b) date and terms and conditions of appointment thereof.

Reply: On Friday 19 June 2020, the Board of Directors of the National Empowerment Foundation has approved the appointment of Mr Jean François Chaumière as the Chief Executive Officer of the National Empowerment Foundation on a contractual basis.

As regards part (b) of the question, the terms and conditions of appointment of Mr Jean François Chaumière are as follows -

- (i) employment for a period on one year, renewable for another period of one year;
- (ii) a monthly salary of Rs104,000;
- (iii) a monthly travelling allowance of Rs11,500;
- (iv) a monthly car allowance of Rs25,200 in lieu of duty-free exemption upon application in writing;
- (v) a monthly cell phone allowance of Rs2,000;
- (vi) payment of gratuity equivalent to two months' salary payable on completion of every 12 months satisfactory service, and
- (vii) passage benefits at the rate of 5% of annual salary.

CLEAR OCEAN HOTEL & RESORT LTD - HOTEL PROJECT

(No. B/178) Ms J. Bérenger (First Member for Vacoas & Floréal) asked the Deputy Prime Minister, Minister of Housing and Land Use Planning, Minister of Tourism whether, in regard to the hotel project of Clear Ocean Hotel and Resort Ltd at St Félix, he will state where matters stand.

Reply: Clear Ocean Hotel and Resort Ltd entered into a lease agreement with the then Ministry of Housing and Lands on 15 August 2017 for setting up of a hotel project. The lease agreement was cancelled on 22 August 2019 for non-compliance with the conditions of the said lease.

RIAMBEL, POINTE AUX SABLES & CITE MALHERBES - SQUATTERS

(No. B/179) Ms J. Bérenger (First Member for Vacoas & Floréal) asked the Minister of Gender Equality and Family Welfare whether, in regard to the squatters in Riambel, Pointe aux Sables and Cité Malherbes, she will state the assistance extended to the children thereof by her Ministry, if any.

Reply: In regard to the squatters in Riambel, Pointe aux Sables and Cité Malherbes, I wish to inform the House that, as at date, no request regarding children necessitating child protection services has been received at the level of my Ministry.

COVID-19 - RT-PCR TESTS - RESULTS

(No. B/181) Ms J. Bérenger (First Member for Vacoas & Floréal) asked the Minister of Health and Wellness whether, in regard to the COVID-19 Reverse Transcriptase Polymerase Chain Reaction Tests carried out by his Ministry, he will state the number of cases wherein same gave false negative or false positive results on the first attempt and which required the carrying out of new tests.

Reply: I am informed that as at date, no false positive RT-PCR result has been recorded at the Central Health Laboratory.

However, two cases of patients testing negative on the first swab and positive on a repeat swab have been recorded.

METRO EXPRESS LTD - FINANCIAL SITUATION

(No. B/182) Mr P. Assirvaden (Second Member for La Caverne & Phoenix) asked the Minister of Land Transport and Light Rail whether, in regard to the Metro Express Ltd., he will, for the benefit of the House, obtain therefrom, information as to the financial situation thereof prior and after the curfew period, indicating the losses accumulated during the curfew period, and how same will be compensated.

(Withdrawn)

NEHRU SEWERAGE PROJECT

(No. B/187) Mr K. Lobine (First Member for La Caverne & Phoenix) asked the Minister of Energy and Public Utilities whether, in regard to the Nehru Sewerage Project, he will, for the benefit of the House, obtain from the Wastewater Management Authority, information as to –

- (a) if Phase I thereof is completed, indicating the number of houses connected, and
- (b) when Phase II thereof will be completed, indicating the number of houses that will be connected.

Reply: With regard to part (a) of the question, I am informed by the Wastewater Management Authority, that due to serious wastewater nuisance and public outcry in April 2019 at Jawaharlal Nehru Street, St Paul, the WMA proceeded with an emergency procurement of Phase I for the upgrading of sewers along J. Nehru Street from St Paul Road to Edgar Quirin Road, Phoenix. The contract was awarded to *Sotravic Ltée* on 18 April 2019 for the sum of Rs27 m. (Incl VAT). The project has been completed on 05 August 2019 and is presently under the Defects Liability Period.

I am informed that, under Phase I, 488 metres of street sewer have been replaced, 12 street manholes constructed and 44 houses reconnected.

With regard to part (b) of the question, I am informed that, following a bidding exercise, the contract for Phase II of the project which comprises upgrading of the sewer line from junction Edgar Quirin Road to S. Hossen Avenue/A10 Road was awarded to *Sotravic Ltée* on 11 September 2019 for the sum of Rs30,046,140.39 inclusive of VAT. The project is being implemented on a Design and Build basis and consists of the rehabilitation of 758m of street sewer and reconnection/provision for some 70 houses.

As at 29 June 2020, 313m of street sewer has been replaced, 17 houses reconnected and provision has been made for 6 new house connections. Moreover, 24 metres of water pipe have been laid.

As a result of the lockdown, no works were carried out from 20 March to 18 May 2020. Works resumed on 19 May 2020. The Contractor has requested for an extension of time of 75 days. Therefore, the initial contractual completion date of 20 June 2020 will be extended after an assessment by the WMA.

SC & HSC EXAMINATIONS MAY/JUNE 2021 - ADDITIONAL COSTS

(No. B/189) Mrs A. Navarre-Marie (Fourth Member for GRNW & Port Louis West) asked the Vice-Prime Minister, Minister of Education, Tertiary Education, Science and Technology whether, in regard to the additional costs claimed by the University of Cambridge Local Examinations Syndicate of the Cambridge International Examinations board for the holding of the School Certificate and Higher School Certificate examinations in May/June 2021, she will, for the benefit of the House, obtain from the Mauritius

Examinations Syndicate (MES), information as to if same will be borne by the MES or by the students sitting therefor.

Reply: I am informed that Cambridge International has agreed to conduct the SC/HSC Examinations in May/June 2021 and has informed that this will entail financial implications as it will have to review its operational and IT systems and deploy more resources to cater for the operational activities, training and grading for the May/June 2021 exams.

The extra cost involved in the rescheduling of the SC/HSC exams to May/June 2021 will be borne by Government.

It is to be outlined that the May/June 2021 SC/HSC exams fees will be sponsored by Government as per the existing scheme.

NATIONAL GENDER POLICY

(No. B/190) Mrs A. Navarre-Marie (Fourth Member for GRNW & Port Louis West) asked the Minister of Gender Equality and Family Welfare whether she will state if she proposes to come up with a National Gender policy and, if so, when and, if not, why not.

Reply: I would like to point out that a National Gender Policy had already been formulated and was on the point of being submitted to Government for approval. However, in the Post COVID-19 scenario, my Ministry has deemed it appropriate to come up with a revised National Gender Policy, with fresh guidelines that will reflect Government's commitment to integrate gender into all development planning and implementation.

As I stated in my intervention on the Budget 2020-2021, one of the immediate initiatives of my Ministry is to conduct a situational analysis of the impact of COVID-19 from a gender perspective with technical assistance from the UNDP. Once the findings of this study are obtained, my Ministry will review the National Gender Policy and take relevant gender-sensitive policy decisions and develop sustainable strategies accordingly.

My Ministry, as the National Gender Machinery and I, as Chairperson of the National Steering Committee on Gender Mainstreaming will ensure implementation and follow up of the main actions of the new Policy.

SOCIAL HOUSING - CONSTRUCTION

(No. B/191) Mr P. Armance (Third Member for GRNW & Port Louis West) asked the Deputy Prime Minister, Minister of Housing and Land Use Planning, Minister of Tourism whether, in regard to social housing, he will, for the benefit of the House, obtain from the National Housing Development Company Ltd., information as to the –

- (a) number of units thereof constructed and delivered over the period 2018-2019, region-wise;
- (b) funds disbursed for the construction thereof over the period 2018-2019 and 2019-2020 respectively, and -
- (c) number of units thereof identified and delivered to the Ministry of Social Integration, Social Security and National Solidarity for the benefit of vulnerable persons.

Reply: I am informed by the National Housing Development Co. Ltd that for period 2018-2019, construction of 383 housing units has been completed, out of which 302 have been delivered. For period 2019-2020, construction of 307 housing units has been completed, out of which 96 have been delivered. The information compiled region-wise is being placed in the Library of the National Assembly.

Concerning part (b) of the question, I am further informed that Rs65.4 m. and Rs39.3 m. have been disbursed for period 2018-2019 and 2019-2020, respectively.

As regards part (c) of the question, I am informed that according to current Government Policy, 10% of housing units within each new NHDC housing estate is reserved for the National Empowerment Foundation to be allocated to its beneficiaries.

The same approach has been adhered to for the allocation of housing units to the National Empowerment Foundation for the period 2018-2019 and 2019-2020 and delivery is done as and when the construction of the housing units has been completed.

POINTE AUX SABLES – COMMUNITY HEALTH CENTRE (NEW)

(No. B/192) Mr P. Armance (Third Member for GRNW & Port Louis West) asked the Minister of Health and Wellness whether, in regard to the construction of a Health Centre at Pointe aux Sables, he will state where matters stand.

Reply: I am informed that the contract for the construction of a new Community Health Centre at Pointe aux Sables was awarded by my Ministry on 18 September 2019. However, the selected bidder failed to submit the required Performance Security and his contract was cancelled on 24 February 2020.

The Ministry of National Infrastructure & Community Development was requested to advise on the relaunching of bids.

On 23 June 2020, the Ministry of National Infrastructure & Community Development has informed my Ministry that the bid document is being reviewed and updated in line with the new standard bidding document issued by Procurement Policy Office in April 2020. The exercise is expected to be completed by mid-July 2020. The amended bidding documents together with updated cost estimates will then be submitted to my Ministry for launching of fresh bids.

GRAND PORT DISTRICT – REGISTERED FISHERS

(No. B/194) Mr R. Duval (Fourth Member for Mahebourg & Plaine Magnien) asked the Minister of Blue Economy, Marine Resources, Fisheries and Shipping whether, in regard to the registered fishers of the District of Grand Port, he will table copy of the list thereof –

Reply: I am laying a copy of the list of the registered fishers for the District of Grand Port, as requested by the hon. Member, in the Library of the National Assembly.

LA PASSE OF MAHEBOURG – COMPLETION DATE

(No. B/195) Mr R. Duval (Fourth Member for Mahebourg & Plaine Magnien) asked the Minister of Blue Economy, Marine Resources, Fisheries and Shipping whether, in regard to the creation of La Passe of Mahebourg, he will state where matters stand, indicating the expected completion date thereof –

Reply: I would wish, at the very outset, to clarify the term ‘La Passe of Mahebourg’, as referred to in the PQ by the hon. Member.

There are currently three boat passages in the lagoon of Mahebourg, namely, Remy Ollier boat passage, Mare Chicose fish landing station boat passage and the Fisheries Post of Mahebourg boat passage. I presume that when the hon. Member is mentioning ‘La Passe de Mahebourg’, he is, in fact, referring to the main boat passage of Remy Ollier in the lagoon of Mahebourg. For your information, there is another boat passage called La Passe, near Ile de la Passe, for which there is currently no project being undertaken by my Ministry.

Following the request of my colleagues hon. Hurreeram, hon. Toussaint and hon. Doolub on this issue, I met with the representatives of fishers at my Ministry on 03 June

2020. Among the issues discussed during the meeting was the boat passages in the lagoon of Mahebourg, and the difficulties encountered by fishers to use the said boat passages.

I am informed that there are presently 132 fishers utilising the three boat passages in Mahebourg, and that at low tide, only the Remy Ollier boat passage is navigable. My Ministry is aware of the matter and has already initiated a project to re-open all the boat passages to ease the movement of fishing and patrol boats in the lagoon of Mahebourg at Remy Ollier. I would request fishers of the region to bear with us for some months as the project has already been launched.

Indeed, the project consists of site preparation for dredging, actual dredging, stockpiling of dredged materials within a secured area, proper disposal of dredged materials and provision of proper navigation aids.

Any project pertaining to dredging in the lagoon imperatively requires an Environmental Impact Assessment (EIA), as per Part B of the First Schedule (Section 15C) of the Environment Protection (Amendment of Schedule) Regulations 2006 under the Environment Protection Act 2002 (GN No. 142 of 2006).

Consequently, an EIA study was initiated in January 2019 to assess the significance of the direct environmental impacts of this project.

A draft EIA report has been submitted by the consultant to my Ministry in December 2019. The final EIA report was scheduled to be submitted in April 2020, but due to the sanitary curfew in place, a delay of two months has occurred in the project. The final EIA report is now expected by mid-July this year.

Once the final EIA report has been received, the Fisheries Protection Service of my Ministry will apply for an exemption of an EIA licence to the Ministry of Environment, Solid Waste Management and Climate Change, following which the project bid documents will be prepared for launching of the bids for the dredging of the boat passages. These processes are expected to take up to 26 weeks. Following the selection of the contractor, the actual dredging work is expected to take up to six months for completion for the re-opening of the boat passages in the lagoon of Mahebourg.

This means that, as from today, the estimated date of completion for the project, if all goes well, would be June 2021 (now-July 2020 for final EIA report + 10 months).

ROCHE BOIS YOUTH CENTRE – CURFEW PERIOD - DAMAGES CAUSED

(No. B/196) Mrs S. Luchmun Roy (Second Member for Port Louis North & Montagne Longue) asked the Minister of Youth Empowerment, Sports and Recreation whether, in regard to the Youth Centre at Roche Bois, he will state if he is aware of the damages caused thereat during the curfew period and, if so, indicate the remedial measures taken in relation thereto, as at to date.

(Withdrawn)

STE CROIX, MORCELLEMENT LA VALLEY - EMERGENCY DRAIN PROJECT

(No. B/197) Mrs S. Luchmun Roy (Second Member for Port Louis North & Montagne Longue) asked the Minister of National Infrastructure and Community Development whether, in regard to the emergency drain project at Morcellement La Valley, le Cornu, Ste Croix, he will state where matters stand as to the implementation thereof by the National Development Unit.

(Withdrawn)

TEACHING HOSPITAL, FLACQ (NEW) - CONSTRUCTION

(No. B/198) Mr S. Nuckcheddy (Third Member for Flacq & Bon Accueil) asked Minister of Health and Wellness whether, in regard to the proposed construction of a new Teaching Hospital at Flacq, he will state where matters stand as to the tendering process in relation thereto.

(Withdrawn)

DR. IDRICE GOOMANY CENTRE - MULTIPURPOSE COMPLEX

(No. B/199) Mr E. Juman (Fourth Member for Port Louis Maritime & Port Louis East) asked the Vice-Prime Minister, Minister of Local Government and Disaster Risk Management whether, in regard to the proposed renovation of the multipurpose complex at

the Dr. Idrice Goomany Centre at Plaine Verte, he will, for the benefit of the House, obtain from the Municipal Council of Port Louis, information as to where matters stand, indicating –

- (a) if the contract therefor has been awarded and, if so, give details thereof, and
- (b) where the sports and social associations which were carrying out activities thereat have been redirected.

Reply: I am informed by the Municipal City Council of Port Louis that the consultancy contract for the renovation of the Multipurpose Complex at Dr. Idrice Goomany Centre at Plaine Verte has been awarded to Pixel Creation Ltée on 01 August 2017 for a contract price of Rs1,840,000 and the contract agreement was signed on 16 August 2017.

The Consultant had submitted the preliminary drawings and report on 14 February 2019, which were approved with some minor amendments by the Council at its meeting of 25 April 2019.

Subsequently, the consultant was instructed by the Council to finalise the architectural drawings and prepare the draft set of bidding documents.

On 27 February 2020, the Municipal City Council of Port Louis has submitted the draft set of bidding documents for the upgrading works to the Central Procurement Board for vetting.

However, due to COVID-19 confinement, the vetting exercise has been delayed. Once approval is obtained, bids would be invited through the Central Procurement Board

With regard to part (b) of the question, I am informed that since one year, the building is closed and the services which were being provided at the Dr. Idrice Goomany Centre are now available as follows -

- (a) Badminton at France Martin Stadium, Les Salines;
- (b) Kyokushin Karate and Judo at Delange Building, Saint Georges Street, and
- (c) Social/women activities are being held at Gorah Issac Hall, St. François Xavier and Nazurally Hall, Cité Martial.

SINGLE HOUSE OWNERS - MUNICIPAL TAX - ABOLITION

(No. B/200) Mr Osman Mahomed (First Member for Port Louis South & Port Louis Central) asked the Vice-Prime Minister, Minister of Local Government and Disaster Risk Management whether, in regard to the municipal tax, he will state where matters stand as to the proposed abolition thereof in respect of owners of a single house.

Reply: One of the measures announced in the Government Programme 2020-2024 under the chapter “Strengthening Macroeconomic Fundamentals”, at paragraph 87 states that

—

“Fiscal policy will continue to support lower and middle-income households and in this respect, Government will honour its pledge to abolish the Municipal Tax on property for persons owning only one house.”

It has always been the wish of the Government to have the above measure operational as from 01 July 2020. My Ministry held several consultations with representatives of Municipal Councils, namely Chief Executives and officers of the Finance and Cadastral sections as well as those of the Ministry of Finance, Economic Planning and Development.

Three meetings had already been held on 11 February 2020, 05 March 2020 and 18 March 2020 and a report on the “Abolition of Municipal Tax on Property” had already been worked out with regard to the current status, proposed methodology and other related issues.

My Ministry was in the process of finalising the procedures to put in place the measure.

However, in view of the situation Mauritius is facing as a consequence of the global pandemic, whereby the country was under confinement for more than two months due to the outbreak of COVID-19 as well as the major impacts on our economy, Government is not in a position to proceed with the abolition of the said Municipal Tax. It is, therefore, regretted to state that the payment of Municipal Tax for the Financial Year 2020-2021 is being maintained.

A Communiqué regarding the payment of Municipal Tax was issued by my Ministry on Friday 12 June 2020.

I wish to restate that this Government will honour its pledge to abolish the Municipal Tax for owners of a single property once the economic situation improves.

CONSTITUENCY NO. 2 - STATE LANDS - APPLICATIONS

(No. B/202) Mr Osman Mahomed (First Member for Port Louis South & Port Louis Central) asked the Deputy Prime Minister, Minister of Housing and Land Use Planning, Minister of Tourism whether, in regard to Constituency No. 2, Port Louis South and Port Louis Central, he will give a list of pending cases of applications for the -

- (a) acquisition, and
- (b) lease of State land thereat, indicating in each case the reasons for the delays in the processing of the said cases.

Reply: I wish to inform the House of my Ministry records applications for acquisition or lease of State Lands district-wise. Therefore, know no data is available that relate specifically to Constituency No. 2, Port Louis South and Port Louis Central, as requested.

METRO EXPRESS LTD - EXPENSES, REVENUES & PROFITS

(No. B/204) Mr D. Ramful (First Member for Mahebourg & Plaine Magnien) asked the Minister of Land Transport and Light Rail whether, in regard to the light rails, he will, for the benefit of the House, obtain from Metro Express Limited, information as to the daily –

- (a) ridership cost thereof, and
- (b) expenses incurred and revenues and profits generated therefrom.

(Withdrawn)

MARE D'ALBERT VILLAGE COUNCIL - COUNCILLOR

(No. B/205) Mr D. Ramful (First Member for Mahebourg & Plaine Magnien) asked the Vice-Prime Minister, Minister of Local Government and Disaster Risk Management whether, in regard to the last vacancy that occurred in the position of Village Councillor at the Mare d'Albert Village Council, he will, for the benefit of the House, obtain from the said Village Council, information as to if same has been filled and, if so, give the name of the incumbent.

(Withdrawn)

SME MAURITIUS LTD - BENEFICIARIES - JULY 2018-FEBRUARY 2020

(No. B/206) Mr M. Yeung Sik Yuen (Second Member for Curepipe & Midlands)

asked the Minister of Industrial Development, SMEs and Cooperatives whether, in regard to the small and medium enterprises, he will, for the benefit of the House, obtain from SME Mauritius Ltd., information as to the schemes available thereto over the periods July 2018 to February 2020 and March 2020 to date, respectively, giving -

- (a) details thereof, and
- (b) the list of the beneficiaries under each scheme and indicating the corresponding amount disbursed.

Reply: SME Mauritius Ltd started its operations in January 2018 and various schemes were formulated to be implemented as a continuous process in the short to medium term to improve the resilience of SMEs and ensure their sustained growth.

As regards part (a) of the question, for the period July 2018 to February 2020, the following schemes were initiated and implemented by SME Mauritius -

- the Barcode Registration Scheme, to ease market entry of SMEs;
- the Inclusive Business Scheme, to encourage SMEs to integrate other SMEs and grow mutually;
- the Mentoring and Hand-Holding Scheme, for management, technical hands-on support and coaching;
- the Online Presence Scheme, for improved visibility, communication and marketing;
- the SME Certification Scheme for accreditation to international standards and certification to improve quality and boost customer confidence;
- the SME Productivity Improvement Scheme, to improve internal systems and processes for efficiency gains;
- the Solar Photovoltaic Rebate Scheme, to produce renewable energy and adopt greener practices;
- the Foreign Expertise and Technical Assistance Scheme to give a necessary makeover to the handicraft sector by offering opportunities to acquire new knowledge on innovative product design and development, and

- the SME Graduate Scheme aiming at providing SMEs with fresh talent in functional areas all the while enriching young graduates with essential first work experience.

For period July 2018 to February 2020, 547 SMEs have benefitted from the first eight schemes at a combined cost of around Rs13.7 m. I am placing in the Library of the National Assembly, where applicable, the details of beneficiaries and respective disbursements.

For the same period, under the SME Graduate Scheme, 1,019 graduates and 174 diploma holders were placed at SMEs. From March 2020 to date, some 52 graduates and 33 diploma holders have benefitted from the SME Graduate Scheme.

In order to switch to a market led rather than supply led approach, SME Mauritius Ltd devised five new schemes to further improve the resilience and sustainability of the SME sector in March 2020.

The five new schemes are -

- the Internal Capability Development Scheme to improve the efficiency and responsiveness of SMEs to customer requirements and market dynamics;
- the Technology and Innovation Scheme to encourage SMEs to continuously invest in technology and automated production capabilities;
- the SME Marketing Support Scheme to support SMEs to improve market accessibility and competitiveness in both local and export markets;
- the Inclusiveness and Integration Scheme to encourage SMEs to favour inclusiveness, interlinkages, networking and collaborate for synergy, and
- the SME Utility Connection Assistance Scheme to support SMEs to connect their places of activity to mains of utility suppliers (CEB or CWA). The Scheme assists in alleviating upfront costs and ease entry.

These new schemes, while capturing the end objectives of the previous schemes now closely map the value chain of SMEs.

The innovation is that, henceforth, SMEs can choose the combinations that best suit their individual requirements and circumstances from a menu across the set of five schemes.

This customised approach is expected to significantly improve the efficiency of SME support schemes and ensure judicious use of funds made available under the schemes.

Though the confinement resulting from COVID-19 has delayed the operationalization of these five new schemes, much of the related ground work has already been completed.

The Grant Approval Committee chaired by my Ministry and comprising a representative of the Ministry of Finance, Economic Planning and Development, and two Board Members of SME Mauritius Ltd has been set up.

Two preparatory meetings have already been held to further fine-tune the grant process.

During the confinement and work from home period, 270 applications for the new schemes were received and are being considered.

I have been advised that the Grant Approval Committee sanctioning the first disbursements is scheduled for mid-July 2020.