



**SIXTH NATIONAL ASSEMBLY**

**PARLIAMENTARY**

**DEBATES**

**(HANSARD)**

**FIRST SESSION**

**TUESDAY 29 NOVEMBER 2016**

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## THE CABINET

**(Formed by the Rt. Hon. Sir Anerood Jugnauth, GCSK, KCMG, QC)**

Hon. Sir Anerood Jugnauth, GCSK, KCMG, QC	Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit
Hon. Charles Gaëtan Xavier-Luc Duval, GCSK	Deputy Prime Minister, Minister of Tourism and External Communications
Hon. Showkutally Soodhun, GCSK	Vice-Prime Minister, Minister of Housing and Lands
Hon. Ivan Leslie Collendavelloo, GCSK, SC	Vice-Prime Minister, Minister of Energy and Public Utilities
Hon. Pravind Kumar Jugnauth	Minister of Finance and Economic Development
Hon. Seetanah Lutchmeenaraidoo, GCSK	Minister of Foreign Affairs, Regional Integration and International Trade
Hon. Yogida Sawmynaden	Minister of Youth and Sports
Hon. Nandcoomar Bodha, GCSK	Minister of Public Infrastructure and Land Transport
Hon. Mrs Leela Devi Dookun-Luchoomun	Minister of Education and Human Resources, Tertiary Education and Scientific Research
Hon. Anil Kumarsingh Gayan, SC	Minister of Health and Quality of Life
Dr. the Hon. Mohammad Anwar Husnood	Minister of Local Government
Hon. Prithvirajsing Roopun	Minister of Social Integration and Economic Empowerment
Hon. Marie Joseph Noël Etienne Ghislain Sinatambou	Minister of Technology, Communication and Innovation
Hon. Ravi Yerrigadoo	Attorney General
Hon. Mahen Kumar Seeruttun	Minister of Agro-Industry and Food Security
Hon. Santaram Baboo	Minister of Arts and Culture
Hon. Ashit Kumar Gungah	Minister of Industry, Commerce and Consumer Protection
Hon. Mrs Marie-Aurore Marie-Joyce Perraud	Minister of Gender Equality, Child Development and Family Welfare
Hon. Sudarshan Bhadain, GCSK	Minister of Financial Services, Good Governance and Institutional Reforms

Hon. Soomilduth Bholah	Minister of Business, Enterprise and Cooperatives
Hon. Mrs Fazila Jeewa-Daureeawoo	Minister of Social Security, National Solidarity and Reform Institutions
Hon. Premdut Koonjoo	Minister of Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Islands
Hon. Marie Roland Alain Wong Yen Cheong, MSK	Minister of Civil Service and Administrative Reforms, Minister of Environment, Sustainable Development and Disaster and Beach Management
Hon. Soodesh Satkam Callichurn	Minister of Labour, Industrial Relations, Employment and Training

## **PRINCIPAL OFFICERS AND OFFICIALS**

Madam Speaker	Hanoomanjee, Hon. Mrs Santi Bai, GCSK
Deputy Speaker	Duval, Hon. Adrien Charles
Deputy Chairperson of Committees	Hurreeram, Hon. Mahendranuth Sharma
Clerk of the National Assembly	Lotun, Mrs Bibi Safeena
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Hansard Editor	Jankee, Mrs Chitra
Serjeant-at-Arms	Pannoo, Mr Vinod

**MAURITIUS**

**Sixth National Assembly**

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**FIRST SESSION**

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**Debate No. 34 of 2016**

**Sitting of 29 November 2016**

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

**The National Anthem was played**

*(Madam Speaker in the Chair)*

## **PAPERS LAID**

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

A. **Prime Minister's Office** –

Certificate of Urgency in respect of the following Bills (in original) -

- (i) The Prevention of Terrorism (Amendment) Bill (No. XXV of 2016);
- (ii) The Constitution (Amendment) Bill (No. XXVI of 2016);
- (iii) The Police (Membership of Trade Union) Bill (No. XXVII of 2016);  
and
- (iv) The Social Integration and Empowerment Bill (No. XXVIII of 2016).

B. **Ministry of Finance and Economic Development** –

- (a) The Annual Report of the Bank of Mauritius for the year ended 30 June 2016.
- (b) The Annual Digest of Statistics 2015.
- (c) The Value Added Tax (Amendment) Regulations 2016. (Government Notice No. 240 of 2016).

C. **Ministry of Public Infrastructure and Land Transport** –

- (a) The Annual Report and Audited Financial Statements of the Bus Industry Employees Welfare Fund for the year 2015.
- (b) The Road Traffic (Control of Contract Car and Contract Bus Operations) (Amendment) Regulations 2016. (Government Notice No. 242 of 2016).

D. **Ministry of Health and Quality of Life** –

The Medical Council (Medical Institutions) (Amendment No. 3) Regulations 2016 (Government Notice No. 239 of 2016).

E. **Attorney General's Office** –

The Report of the Director of Audit on the Financial Statements of the Curatelle Fund for the 18 months period ended 30 June 2016. (*In original*)

F. **Ministry of Arts and Culture –**

- (a) The National Heritage Fund (Amendment of Schedule) (No. 4) Regulations 2016. (Government Notice No. 236 of 2016).
- (b) The National Heritage Fund (Designation of Fossil and Sub-fossil Remains) Regulations 2016. (Government Notice No. 237 of 2016).
- (c) The National Heritage (Protection of Fossil or Sub-fossil Remains) Regulations 2016. (Government Notice No. 238 of 2016).

G. **Ministry of Financial Services, Good Governance and Institutional Reforms –**

The Financial Services (Amendment of Schedule) (No. 2) Regulations 2016. (Government Notice No. 241 of 2016).



## ORAL ANSWERS TO QUESTIONS

### CHAGOS ARCHIPELAGO - MAURITIUS SOVEREIGNTY

**The Leader of the Opposition (Mr P. Bérenger)** (*by Private Notice*) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Chagos Archipelago, he will state –

- (a) what agreement was reached in New York in September 2016 in relation thereto;
- (b) if Mauritius reacted to the content of the debate held during a sitting of the UK House of Commons on 25 October 2016 in relation thereto;
- (c) if the meeting between officials of his Office and those of the United Kingdom Foreign and Commonwealth Office held on 09 November 2016 in relation thereto ended in a deadlock;
- (d) where matters stand regarding the 1966 United Kingdom/United States of America Agreement on Diego Garcia, and
- (e) if a letter has been sent to the President of the United Nations General Assembly concerning the resolution of Mauritius in relation thereto.

**The Prime Minister:** Madam Speaker, I welcome this Private Notice Question from the hon. Leader of the Opposition, as it gives me an opportunity to apprise the House, and the population at large, on matters relating to our sovereignty over the Chagos Archipelago. I would like to reiterate, most emphatically, that the Chagos Archipelago, including Diego Garcia, has always formed and continues to form an integral part of the territory of the Republic of Mauritius.

Mauritius does not recognise the so-called “British Indian Ocean Territory”, which the United Kingdom purported to create by illegally excising the Chagos Archipelago from the territory of Mauritius prior to its accession to independence, in breach of international law and of the United Nations General Assembly Resolutions 1514 (XV) of 14 December 1960, 2066 (XX) of 16 December 1965, 2232 (XXI) of 20 December 1966 and 2357 (XXII) of 19 December 1967.

Madam Speaker, in reply to part (a) of the question, as the House is aware, Mauritius asked in July last for the inclusion in the agenda of the current session of the UN General Assembly of an item entitled: “Request for an advisory opinion of the International Court of

Justice on the legal consequences of the separation of the Chagos Archipelago from Mauritius in 1965.”

At its meeting held on 14 September 2016, the General Committee of the UN General Assembly agreed to recommend the inclusion of this item in the agenda of the General Assembly on the understanding that there would be no consideration of the item before June 2017 and that thereafter it may be considered upon notification by a Member State.

The UK was initially opposed to the inclusion of this item in the agenda of the General Assembly. However, in view of the wide support which Mauritius had obtained on the matter, the UK asked, as a compromise, that consideration of this item be deferred to June 2017 to give time to Mauritius and the UK to engage in discussions with a view to arriving at a satisfactory resolution of the matter. At the meeting of the General Committee held on 14 September 2016, the President of the UN General Assembly encouraged Mauritius and the UK to engage meaningfully and constructively to reach a solution on this matter and to keep him updated on progress on a regular basis. He added that his Office would remain at the disposal of Mauritius and the UK for any assistance.

Subsequently, the UN General Assembly decided, at its meeting held on 16 September 2016, to include the item relating to the request for an Advisory Opinion of the International Court of Justice in respect of the Chagos Archipelago on its agenda on the understanding that the item would not be considered by the General Assembly before June 2017 and that thereafter it may be considered upon notification by a Member State. It was also agreed that this item would be considered by the plenary of the General Assembly, as requested by Mauritius, and not by any Committee or Sub-Committee of the General Assembly. I am tabling a copy of the agenda of the current session of the UN General Assembly.

Madam Speaker, while I was in New York to attend the general debate of the UN General Assembly, I had, at the request of the UK, a meeting on 22 September 2016 with the Rt. hon. Boris Johnson, Secretary of State for Foreign and Commonwealth Affairs.

During the meeting, I underscored that the decolonisation process and independence of Mauritius would not be complete until and unless the Chagos Archipelago is returned by the UK to the effective control of Mauritius. I also made it clear that Mauritius had no objection to the continued use of Diego Garcia as a military base. Mauritius was even prepared to grant a long term lease to the United States of America for its continued use as a

military base. I further stated that the issue of sovereignty and the return of Mauritian citizens of Chagossian origin to the Chagos Archipelago are indissociable.

The UK Secretary of State for Foreign and Commonwealth Affairs urged Mauritius to refrain from having recourse to the International Court of Justice and said that Mauritius and the UK should engage in discussions with a view to reaching an amicable settlement. I made it clear that the talks should focus on the completion of the decolonisation of Mauritius and the exercise of full sovereignty by Mauritius over the Chagos Archipelago at a specific date to be agreed upon.

I proposed to the UK that a meeting of senior officials be held in Mauritius during the last week of October 2016. I also insisted that the meeting should be productive and result-oriented, unlike the discussion on the implementation of the Award in the case brought by Mauritius against the UK under the UN Convention on the Law of the Sea, where the UK had not brought any concrete proposal on the table, but was just going round and round with the discussion. The UK Secretary of State for Foreign and Commonwealth Affairs told me, I quote -

“We will make it work this time.”

Madam Speaker, in reply to part (b) of the question, I understand that there was a debate on 25 October 2016 in the UK House of Commons on the Chagos Archipelago on a motion by Hon. Andrew Rosindell.

We did not react to the contents of the debate in the House of Commons as we normally react to official communications or stand taken by the UK Government on issues related to the Chagos Archipelago. Moreover, it was a debate about British citizens and the so-called “BIOT”. We do not recognise the so-called “BIOT”. More importantly, formal discussions with the UK at officials’ level had already been fixed for 09 November 2016 and our position was intended to be expressed during those discussions.

Madam Speaker, in reply to part (c) of the question, a meeting of senior officials from Mauritius and the United Kingdom was held on 09 November 2016 in Mauritius.

The Mauritius delegation was led by the Secretary to Cabinet and Head of the Civil Service and comprised the Solicitor General, our Permanent Representative to the UN in New York and other officials from my Office and the Attorney General’s Office.

The UK delegation was led by Dr. Peter Hayes in his capacity of Director for Overseas Territories at the Foreign and Commonwealth Office and not that of Commissioner for the so-called “British Indian Ocean Territory”, as mentioned in some newspapers. Since Mauritius does not recognise the so-called “BIOT”, we have made it clear to the UK side that we cannot have any discussions with any official acting in the capacity of a representative of the so-called “BIOT”.

The discussions at the meeting focused all day on the issue of whether the talks should be held under a sovereignty umbrella, as contended by the UK.

Mauritius took the stand that since the talks, in line with the understanding reached in New York, were about the completion of the decolonisation of Mauritius and the exercise of full sovereignty by Mauritius over the Chagos Archipelago, they could not be held under a sovereignty umbrella as was the case for previous talks between the two countries, including those held on the implementation of the Award delivered in the case brought by Mauritius against the UK under the United Nations Convention on the Law of the Sea.

Mauritius, instead, proposed that nothing discussed during the talks would affect the position of either party under international law unless and until anything is formally agreed between the parties and that this should constitute adequate protection for the UK. Mauritius also suggested two alternative forms of wording to address the concerns of both Mauritius and the UK.

However, the UK remained firm on its position that the talks should be held under a sovereignty umbrella and in spite of extensive discussions, the meeting ended without any agreement on the premises on which the talks should be held.

Both sides, however, agreed to give further consideration to the matter and try to reach an agreement ahead of the next meeting which could be held either in December 2016 or early January 2017. In this respect, we are engaging through written communication with the UK. It is, therefore, premature to state that we are already in a deadlock situation.

If no progress is made in the talks, Mauritius will ask for agenda item 87 relating to the request for an Advisory Opinion of the International Court of Justice in respect of the Chagos Archipelago to be considered forthwith.

In regard to part (d) of the question, there has been a statement made on 16 November 2016 by the UK Government in the House of Commons to the effect that the 1966 US-UK

agreement concerning the availability for defence purposes of the Chagos Archipelago will continue as it stands for another term of 20 years, that is, until 30 December 2036.

On the same day as the statement was being made in the House of Commons, the British High Commissioner handed over a letter dated 15 November 2016 to the Deputy Prime Minister acting as Prime Minister in my absence, from the Right hon. Boris Johnson informing me of the content of the statement that was being made on that day in the House of Commons by the UK Government.

In a Communiqué issued by my Office on 17 November 2016, Government stated that the UK had acted in blatant breach of the letter and spirit of the Award delivered on 18 March 2015 in the case brought by Mauritius against the UK under the UN Convention on the Law of the Sea, inasmuch as the UK failed to fully involve Mauritius, as required by the Award, in the renewed use, until 2036, of the Chagos Archipelago for the purposes for which it is currently being used.

In regard to part (e) of the question, no letter has been sent to date to the President of the UN General Assembly, concerning the resolution of Mauritius.

Such a letter will indeed be addressed to the President of the UN General Assembly, requesting that debates on the agenda item be held at the earliest possible, before June 2017, should the UK continue to insist that the talks between the officials from Mauritius and the UK be held under a sovereignty umbrella, as they did during the meeting on 09 November in Mauritius. The appropriate letter will be issued in consultation with our legal advisers.

Madam Speaker, I seize this opportunity to reiterate that I am confident that we would rally a majority of Member States at the United Nations in our favour. I wish to add that the Secretary General of the '*Organisation Internationale de la Francophonie*', Mrs Michaëlle Jean, whom I met yesterday in Antananarivo was very supportive of our initiative to correct the injustice done to Mauritius prior to its independence and promised to rally support in favour of Mauritius within the OIF.

Madam Speaker, I also raised the issue of the Chagos Archipelago with all the Heads of State and Government whom I met during the Francophone Summit and all of them were sympathetic to our case and promised their support.

I wish to tell the nation that my resolve to fight this battle for the completion of the decolonisation of Mauritius and the exercise of full sovereignty by Mauritius over the Chagos

Archipelago is a sacred mission I am undertaking for my Motherland. I will do whatever is needed in the interests of the Republic of Mauritius to reach our objective. Only God can stop me in this endeavour.

**Mr Bérenger:** Madam Speaker, on the first part of my question: what agreement was reached in New York in September 2016, I have listened, of course, carefully to what the Rt. hon. Prime Minister has said. I take it that ‘by agreement’, he means what he reported Minister Boris Johnson as having said: “We will make it work”.

Can I know from the Rt. hon. Prime Minister whether there was an undertaking by Mr Boris Johnson or anybody from the UK side that sovereignty would be discussed? The last time we met, the Prime Minister was adamant that *zot pas pé garde parole*? Therefore, my point is: was there an undertaking, a clear undertaking from Mr Boris Johnson or anybody from the UK side, that sovereignty would be discussed?

**The Prime Minister:** Yes. Even at the level of the United Nations, the President told me that the questions of decolonisation and sovereignty must be discussed before June 2017 between the two parties, that is, UK and Mauritius and reach an amicable settlement, if that is possible. He talked to me personally; he urged me to agree to this, and afterwards, Mr Boris Johnson, when I talked to him, I made it very clear that we want sovereignty, we want our territory back and discussions will be on this and nothing else. If discussions can’t be on this, I am waiting for the next meeting, if the Britishers insist, then we are going forward, we will write to the UN and we will take the matter at the level of the General Assembly.

**Mr Bérenger:** Madam Speaker, on 15 October, there was a meeting in the House of Commons which discussed so-called BIOT and the fate of the Chagossians. I have heard the Rt. hon. Prime Minister say that Mauritius did not react because we felt we did not have to react, but will he agree with me that, in fact, we should have seen trouble coming ahead because, on that day, the UK Government sent only a junior Minister to state the UK Government’s position and there was no reference at all to our resolution, to any discussions with Mauritius on sovereignty, absolutely nothing, as if our resolution never existed, as if the UK side ignored completely all this?

**The Prime Minister:** Well, there are people concerned in the present British Government, I call them ‘hypocrites’. They do not keep their word, their promise and, to me, it has always been clear that they have no intention whatsoever, amicably, to return Chagos to Mauritius. I never trusted them, but I did not want to displease the President of the UN and

when Mr Boris Johnson assured me that we are going to discuss on sovereignty and that it is going to have positive results, I agreed, I said: ‘Okay, we won’t take it before next June’. But I also made it clear to Mr Boris Johnson that the discussions, insofar as we are concerned, are to complete the independence of Mauritius and that can only be completed by the return of Chagos Archipelago to Mauritius and the discussions should be about that.

**Mr Bérenger:** The last part of my question, Madam Speaker, although the Rt. hon. Prime Minister says that there is no deadlock, but he will agree with me that, in fact, there is deadlock because the UK side is saying there will be no discussions on sovereignty or anything else unless we agree to do that under a so-called sovereignty umbrella and we are saying no. Now this so-called sovereignty umbrella, can I ask the Rt. hon. Prime Minister whether a definition thereof was offered from the UK side? Was reference specifically made to the so-called sovereignty umbrella agreed years back between the UK and Argentina? Was that the reference point? Is it clear what the UK means by a sovereignty umbrella?

**The Prime Minister:** I don’t know; I have no idea. But, to me, the discussions cannot be under a sovereignty umbrella because the issue is a question of sovereignty and we must go straight to that and discuss that.

**Mr Bérenger:** Was that meeting, therefore, on 09 November that we are talking about, from my point of view, from my reading, ended in deadlock because we are stuck under an umbrella, as we have just heard? At this point in time, is there another meeting, a follow-up meeting to take place in London?

**The Prime Minister:** Yes. They have agreed to have another meeting, either it will be in December or early January next year. They have not fixed the date yet, but it is clear that they were not keeping their promise to which we agreed and to which discussions should have taken place. We have given them another chance because the way they asked that we meet again and try to see whether we can resolve this problem of sovereignty umbrella, we have agreed. If this time when they meet, they take the same stand, then for me, I have told my officers who are meeting these officers of the UK that it is going to be an end of the discussions and we will move towards the UN.

**Mr Bérenger:** The last but one part of my question, that is, the 1966 UK/US Agreement on the use of Diego Garcia, can I know from the Rt. hon. Prime Minister whether we have been – because, in fact, it is on 16 November that a junior Minister again issued a statement on behalf of the UK Government where they simply informed that although the

Agreement in question goes to the end of December with automatic renewal, if there is no sign from either side, US or UK, but the UK side made a point to say that it has already been decided that it will be extended. Now it has already been decided, I take it, by the US and UK, that it would be extended for another 20 years. Can I know whether we have been informed officially of that, by either side, US or UK?

**The Prime Minister:** Well, I understand there is a letter and it has been made very clear on that. Well, there was a letter sent, I mentioned it. In that letter, they had enclosed the statement that was made in the House of Commons.

**Mr Bérenger:** And nothing from the American side?

**The Prime Minister:** Nothing from the American side.

**Mr Bérenger:** Well, if the impression which that junior Minister Baroness Anelay of St Johns, the impression she gives is that the US and the UK have agreed already that it will be extended for 20 years, they are not waiting until the end of the year. If that is the case, have we tried to find out whether the Obama administration has agreed to that on the eve of the new team, the Trump team, taking over in Washington?

**The Prime Minister:** Insofar as the base is concerned, we have made it clear that we are not against the base. The Americans, even if we get full sovereignty and the Chagos is returned to Mauritius, we will allow the Americans to use the base, but on new conditions of the lease. And I made it also clear that they will have to pay to us in the form of rent, an amount on which we will have to agree upon, but they don't talk of lease, they talk of agreement between UK and US, and they renew it automatically. Well, we can't do anything about their acts, but there is one evidence, further evidence, of their dishonest intention because if they were to respect the award that is already there, before doing this, there should have been discussions with Mauritius which they did not do. That shows again the bad faith of these Britishers whom I don't trust at all.

**Mr Bérenger:** Therefore, there was this statement by the Junior Minister on behalf of the UK Government that it has already been decided that it will be extended for a further 20 years as from the end of December. Can I know from our side, from the Mauritian side - we have, as I said, an outgoing Obama administration, we have an incoming Trump administration and we have one month before us before the US/UK Agreement of 1966 is automatically renewed - whether we are taking any initiative on that score between now and the end of December?



**The Prime Minister:** I think we have made it very clear that this move is contrary to the spirit of the award according to which there should have been discussions between Mauritius and UK. Insofar as America is concerned, of course, the extension is in their favour and I don't think that the Americans are so goodhearted that they would come and talk to us because they have always made it clear in the past, when I talked to the President, they always said that: "Look, we have not dealt with you, we have dealt with UK. You go and discuss with UK." But it is shameful that when we started talking with UK, one representative of the United States sent by the Government of the United States and another one by the UK came in my office. In fact, they came in as if they were talking to a slave! The mood in which they were, threatening that if we go ahead, forget all trade, forget all help from both sides! I found it very strange because always Americans told us: "You discuss with UK" and they never interfered. But now, when we are taking steps, we are discussing with the UK, the Americans also came together with the UK as if they were supporting UK. I called it shameful and I told them: "You people, you pretend to be preaching the world human rights, democracy, rule of law and today, when we are claiming our legitimate right, you come here, you threaten me. It seems that this good philosophy of human rights and all this, you believe in them and you use them only for your interest and insofar as others interests are concerned, your philosophy is - this is what I told them - "Might is right!" And I told them: "Get away from here!"

*(Interruptions)*

**Madam Speaker:** Hon. Osman Mahomed!

**Mr Mahomed:** Madam Speaker, can the Rt. hon. Prime Minister state how many UN Member States have pledged support for the Mauritian resolution following the lobbying campaign which he himself has conducted over the last three months?

**The Prime Minister:** Our representative in US is doing the job and wherever I have been, I have met leaders either Presidents or Prime Ministers and so far everybody has been sympathetic to us. Now, I hope that this sympathy is genuine, it is not hypocrisy and when this matter will come to the United Nations - this very United Nations, on the eve of our Independence passed a resolution saying that no part of Mauritian territory should be excised before its independence. Now, if they come and they don't honour at least this resolution, then I better not say what I will call them!

*(Interruptions)*

It will be shameful on their part!

**Madam Speaker:** Hon. Shakeel Mohamed!

**Mr Mohamed:** Madam Speaker, has the Rt. hon. Prime Minister considered the possibility that the United States of America as well as the other squatter and illegal occupier, the United Kingdom, may decide to use some delaying tactics in order to defeat the Mauritian resolution, and in the circumstances could the Rt. hon. Prime Minister consider other avenues to bring to the attention of the international community this illegal occupation and this continued colonisation by the United States of America and the United Kingdom such as a joint extension of the mandate of the Parliamentary group, the Opposition and Government, acting as one and bringing this state of affairs to the attention of the people of the world, be it in Europe and in America, that we have to raise public opinion in order to force their ...

**Madam Speaker:** Okay, your question is too long, hon. Shakeel Mohamed. We have understood.

**Mr Mohamed:** ... political masters to decide in our favour?

**The Prime Minister:** We certainly have considered this and I have even given instructions to our fellow who is responsible for UN Affairs to start organising and here also I have asked the Cabinet Secretary to start organising in order to lobby at the level of the population, organisations and any institutions that will be necessary so that we get their sympathy and they can speak out in our favour.

**Madam Speaker:** Hon. Ganoo!

**Mr Ganoo:** Can I ask the Rt. hon. Prime Minister whether in case the negotiations between our officials and those of the UK come to term for whatever reason, for example, if the British outrageously maintain their position, is there any possibility for the item which is already on the agenda be debated before June 2017 and what are the risks of the British attempting to prevent the matter being taken up before the Plenary Session?

**The Prime Minister:** Well, we only agreed to discuss on matters that were very clear and I made it very clear here, on the question of sovereignty, return of Chagos, to be agreed upon by a certain date. In the meantime, I even suggested that before that specific date we can have a joint management. Now, if next time when the UK officials meet, they keep their stand, then I have told my officers to put an end to that discussion and we are going to take all steps to have this on the agenda to be discussed at the level of UN and I had made it very

clear to the President all through that if the UK people are going to be adamant and not discuss sovereignty and return of Chagos, then we are coming back. We are going then to write to him and ask him to see to it that it is brought for discussions at the UN.

**Madam Speaker:** Last question, hon. Leader of the Opposition!

**Mr Bérenger:** Madam Speaker, I refer to the last part of my question. Last time that the Committee of Parliamentarians from all parties met, that was on 23 November, clearly there was misunderstanding. We were informed that a letter had already been sent. Today, we are informed that letter has not yet been sent. Therefore, in view of all that we have discussed and this misunderstanding – I'll call it like that – at the last meeting of Parliamentarians on 23 November, would the Rt. hon. Prime Minister be agreeable to call urgently a fresh, a new meeting of the same Committee of Parliamentarians to review matters where we stand now?

**The Prime Minister:** Well, as far as I remember, we never said at the meeting of the Committee that took place that we have already written to the UN. No! Letter has been written to UK, warning them that if they take the same stand, then discussions can't be continued! Not to UN, but to UK!

**Madam Speaker:** Time is over! The Table has been advised that PQ B/1024 has been withdrawn. PQ B/1025 in regard to the representations made by the *Regrupma Travayer Socyal* on the continuous hammering of a deep underground compacter, will now be replied by the hon. Vice-Prime Minister, Minister of Energy and Public Utilities. Hon. Osman Mahomed!

#### **ICTA – CHAIRPERSON & BOARD MEMBERS - APPOINTMENT**

**(No. B/1013) Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Information and Communication Technologies Authority, he will, for the benefit of the House, obtain therefrom and table information as to the qualifications, date of appointment and allowances payable to the Chairperson, the Board members and the Secretary thereof, including in respect of the sub-committee meetings.

**The Prime Minister:** Madam Speaker, as requested, I am tabling the information as obtained from the Information and Communication Technologies Authority.

**Madam Speaker:** Hon. Mahomed!

**Mr Mahomed:** Madam Speaker, I am waiting for the list to be circulated to me. Is the Rt. hon. Prime Minister satisfied that the people in there are qualified enough to shoulder the responsibilities at ICTA in the light of what is going on there at the moment?

**The Prime Minister:** I presume that they have acted according to what the law requires them to do and if they are there, they must be qualified.

**Mr Baloomoody:** Is the Rt. hon. Prime Minister aware that this non-Executive Chairman is using his position and the Prime Minister's name to put pressure on the staff to get him a brand new car with security device and also to pay special allowance, risk allowance, special duty security allowance to his driver amounting to more than Rs10,000 per month?

**The Prime Minister:** I have been told of this and I have passed the message that this should be refused. We are taking steps to get rid of him from there.

**Mr Uteem:** Has the attention of the Rt. hon. Prime Minister been drawn to the fact that one Board Member, Mr D. D., a public officer, had been severely criticised by both the National Audit Report and the PAC for his role in the Business Process Outsourcing Conference in 2011 and now he is being appointed as Board Member?

**The Prime Minister:** Well, I am not aware of this.

**Mr Fowdar:** I think we all agree that this Chairman has been doing a lot of harm to this institution. Will the Rt. hon. Prime Minister look into the possibility of reviewing all the decisions he took during his chairmanship and revert some of them which are not good?

**The Prime Minister:** Well, we'll take that into consideration.

**Mr Bhagwan:** In view of several information which have been circulated - even to the Rt. hon. Prime Minister - and the way the Chairperson has been managing that Authority, is the Rt. hon. Prime Minister agreeable to appoint an independent enquiry to look into all the decisions which he has taken during his tenure of office especially with regard to financial matters?

**The Prime Minister:** When somebody else will be appointed, I'll ask him to make a report on all these matters, then we'll consider what to do.

**Madam Speaker:** Next question, hon. Ameer Meea!

## **DRUG DEALING/TRAFFICKING - ARREST**

**(No. B/1014) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to drug dealing/trafficking and other drug related offences, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to –

- (a) the number of minors arrested in connection therewith, since 2014 to date, indicating in each case, the charges lodged against them, and
- (b) if Mr A. L. has handed over thereto a list of persons allegedly involved therein and, if so, indicate the actions taken in relation thereto, if any.

**The Prime Minister:** Madam Speaker, in regard to part (a) of the question, I am informed by the Commissioner of Police that the number of minors arrested in connection with drug dealing/trafficking and other drug related offences from January 2014 to 24 November 2016 is as follows -

- (i) 2014 – 43
- (ii) 2015 – 49
- (iii) 2016 – 58

I am tabling the list of charges lodged against the minors arrested for drug cases.

Concerning part (b) of the question, I am informed by the Commissioner of Police that it is not a practice for Police to disclose such information especially on criminal matters provided by informers as these are treated as very, very confidential.

I am also informed that the Ministry of Health and Quality of Life in collaboration with the Ministry of Education and Human Resources, Tertiary Education and Scientific Research, has already started an extensive national prevention programme since April 2016 in Secondary Schools with a view to preventing the scourge of drug use among the youth. So far, 869 sensitisation sessions have been carried out in 140 Educational Institutions and some 21,129 students have benefited therefrom.

Madam Speaker, in addition, I am informed that the Minister of Gender Equality, Child Development & Family Welfare had meetings since July 2016 with representatives of

relevant Ministries and NGOs in order to take stock of the prevailing situation regarding the use of synthetic drugs among the youths and to discuss about preventive measures.

Madam Speaker, I am fully conscious of the problem of drug dealing and consumption among the population including the youth. It is in this spirit that my Office will approach the United Nations Office on Drugs and Crime with a view to elaborating a National Drug Control Master Plan in consultation with all the stakeholders namely the Police Department, the Ministry of Education and Human Resources, Tertiary Education and Scientific Research, the Ministry of Youth and Sports, the Ministry of Gender Equality, Child Development and Family Welfare, the Ministry of Health and Quality of Life, the Ministry of Social Security, National Solidarity and Reform Institutions and the Ministry of Social Integration and Economic Empowerment.

**Mr Ameer Meea:** Madam Speaker, with due respect to the Rt. hon. Prime Minister, it has never been question of disclosing the names of people. The question was about what actions are being taken when the list has been given. So, my question to the Rt. hon. Prime Minister is: will he agree with me that, for persons who are deponing at the Commission of Inquiry on Drug Trafficking, there should be a special unit to look into the specific denunciations so that immediate and urgent actions are taken so as not to wait for the recommendations of the report?

**The Prime Minister:** I understand that there is already a unit attached.

**Madam Speaker:** Next question, hon. Ameer Meea!

#### **DETAINEES/PRISONERS – POSTAL MONEY ORDERS**

**(No. B/1015) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the detainees/prisoners, he will, for the benefit of the House, obtain from the Commissioner of Police and from the Commissioner of Prisons, information as to the total amount of money the detainees/prisoners have received by post over the past three years, indicating if consideration will be given for a review of the manner in which money is sent thereto.

**The Prime Minister:** Madam Speaker, I am informed by the Commissioner of Police that, over the past three years, no detainee in Police cells or Police detention centres has received any money by post.

However, the Commissioner of Prisons has informed that some 3,200 detainees have received a total amount of Rs18.8 m. by post over the last three years.

The amount received by detainees was not in cash but by way of Postal Money Orders in conformity with the provisions of section 30 of Prisons Regulations 1989.

Madam Speaker, for reasons of security and with a view to deterring any suspicious transactions, it is important that the identity of the money sender be properly established. Under the current practice, the sender has to put his name on the envelope containing the Money Order. Given that the sender himself writes his name on the envelope, there is no guarantee that the name thus written is the real one. I am also informed that there may be cases where senders may or might have used fictitious names.

In order to address this issue, the Commissioner of Prisons had a meeting with the representatives of the Mauritius Posts Ltd to look into ways and means to better control the processing of Postal Money Orders. The Mauritius Posts Ltd has agreed to collaborate in reviewing the procedure relating to transactions for Postal Money Orders. In this respect, it has been proposed that the Postal Money Order Form would be amended so as to include the name of the sender. More so, the sender's name would be inserted by the Postal Officer instead of the sender himself.

**Mr Ameer Meea:** Madam Speaker, in a recent statement dated 13 November, this year, the Commissioner of Prisons, Mr Vinod Appadoo, stated, and I quote –

*« J'ai appris qu'en l'espace de trois ans une somme de R 25 millions en cash est entrée à la prison par le système de Postal Order. La plupart de ceux qui ont reçu cette somme sont des gens pauvres. C'est du blanchiment d'argent bien évidemment. »*

I am not disputing the figures. He said Rs25 m. and the Rt. hon. Prime Minister said Rs18 m. My question to the Rt. hon. Prime Minister is: has there been an inquiry - because this is a very serious statement that he made in relation to *blanchiment d'argent* - by the ICAC or whatever authority in relation to this very serious statement about *blanchiment d'argent*?

**The Prime Minister:** Well, this is money sent by people, I suppose, who are related, who are parents, and this is allowed, according to the Regulations of the Prisons. There are so many cases, so many Money Orders. So, I don't see what inquiry is going to be made

about *blanchiment d'argent*. I am given a note that Postal Order is legal. It cannot be *blanchiment*.

**Madam Speaker:** Hon. Baloomoody!

**Mr Baloomoody:** The Regulations allow prisoners to receive money, but surely there should be a limit of how much they can receive. If they have reached their limit, the money should be either returned to the sender or if we cannot identify the sender, it should be forfeited.

**The Prime Minister:** Well, I don't think that there is really a big sum that has been sent by Postal Order. The monthly receipt shall not exceed Rs2,500, according to the Regulations. In exceptional cases, the Officer-in-Charge may authorise an additional amount to allow detainees to meet their expenses for purchase of books, payment of fines and cost or purchase of medicines, spectacles, dental treatment. They use the money for these purposes.

**Madam Speaker:** Hon. Fowdar!

#### **PUBLIC SERVICE COMMISSION – DELEGATION OF POWERS - RECRUITMENT**

**(No. B/1016) Mr S. Fowdar (Third Member for Grand'Baie & Poudre d'Or)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the practice of the Public Service Commission delegating its powers to Ministries for the recruitment of officers, he will state if consideration will be given for same to be done away with, in a spirit of transparency and fairness.

**The Prime Minister:** Madam Speaker, section 89(2)(a) of the Constitution provides that the Public Service Commission may, subject to such conditions as it thinks fit, delegate any of its powers by directions in writing to any Commissioner of the Commission or to any public officer. Moreover, section 118 of the Constitution provides that the Commission may regulate its own procedure and shall not, in the exercise of its functions under the Constitution, be subject to the direction or control of any person or authority.

Madam Speaker, it is a long-standing practice for the Public Service Commission to delegate its powers to Supervising Officers for the filling of vacancies in certain specific grades. Such provisions and practice of recruitment under delegated powers have obviously



been introduced to relieve the PSC to some extent and speed up the filling of vacancies in the Public Service.

I would, however, like to clarify that the powers are delegated to public officers and not to Ministries. Moreover, such recruitments under delegated powers are generally restricted to posts in the Workmen's Group, although delegation is also given to Supervising Officers for appointment to other posts on a contractual/part-time/sessional basis. I wish to emphasize the fact that more than 75 per cent of the vacancies in the Public Service are still filled by the Public Service Commission itself.

Madam Speaker, it should also be brought out that the delegated powers are meant to be exercised by Supervising Officers strictly within the parameters defined by the PSC in the instrument of delegation. The delegation is accompanied by a set of conditions which have to be complied with and which are meant to safeguard the integrity of the whole recruitment exercise. These conditions include the following -

- (i) the procedure to be followed should be in accordance with the general principles of appointment and promotion set out in the PSC Regulations;
- (ii) a Departmental Selection Board should be appointed to conduct the selection exercise – there should be no conflict of interest between Board members and prospective candidates;
- (iii) the procedure for the filling of vacancy should be by selection of a person who should be fully qualified and competent;
- (iv) the Board should, in the selection process, have regard to qualifications, experience and merit before seniority, and
- (v) for entry grades, the list of short-listed candidates has to be submitted to the PSC for clearance purposes before making offers of appointment.

Madam Speaker, the PSC, therefore, does not abdicate its responsibility after delegating its powers. It maintains an oversight over the exercise and it can still withdraw any delegation if it suspects any misuse thereof.

It should also be highlighted that any person aggrieved by a decision pertaining to a recruitment exercise in the public service may apply for leave for judicial review of that exercise. That person will be granted leave provided that he satisfies the Supreme Court that there are grounds to grant leave for him to apply for judicial review.

Moreover, appointments made under delegated powers in promotional grades are subject to appeal to the Public Bodies Appeal Tribunal under section 3 of the PBAT Act.

Madam Speaker, as the House is aware, in order to enable the public service to deliver on its mandate more effectively, funds have been provided, in the Budget 2016-2017, for the filling of more than 12,000 vacancies, including vacancies which are meant to be filled under delegated powers and the Government is determined to eliminate all bottlenecks in order to expedite the filling of these vacancies.

It is considered that the abolition of recruitment under delegated powers, as suggested by the hon. Member, would not be in the interest of the public service.

**Mr Fowdar:** Can I ask the Rt. hon. Prime Minister whether he is aware that a very large number of unemployed people are recruited in the Constituency of some Ministers concerned - a very disturbing number, and this is not only for now, Rt. hon. Prime Minister, it is for decades, for so many years, it has been going on – and in view of keeping transparency and confidence in people, whether he will stop this delegated power to the Ministries or Supervising Officers?

**The Prime Minister:** The answer that I have given, it is delegating powers and not delegated to Ministries. Well, if what the hon. Member is saying, we will have to find out how true it is.

**Mr Mohamed:** This question coming from a Member of the Government, it speaks louder than words and to take up where he left off, is the Rt. hon. Prime Minister aware that there have been certain Ministries - the hon. Member has not decided to pinpoint Ministries, I will pinpoint the Ministry of Health and Quality of Life. Now, is this a coincidence - or the Ministry of Agriculture where people are recruited - and the fact is that, those people who are recruited happen to be in a majority from the constituency of the Ministers from where the people are recruited? So, is this coincidence or would the Rt. hon. Prime Minister consider doing things differently to even the way it was done during our time?

*(Interruptions)*

**The Prime Minister:** Well, I have answered already that the PSC has a general supervision even when powers are delegated, what more can be done.

**Mr Fowdar:** Can I ask the Rt. hon. Prime Minister when the people are recruited under the delegated power, they are selected from the Unemployed Register from the

Ministry of Labour, but this does not give the opportunity to other people who are not aware of the vacancy, who are in a private sector and who would have wished to apply for the jobs, is it not time now that all the jobs, whether they are selected from Employment Exchange be advertised publicly, public notices be launched so that everybody gets an opportunity to apply?

**The Prime Minister:** Well, as far as I know, advertisements are made. It is open even to people who are not in the service, depending whether they are new recruits who are being taken.

**Madam Speaker:** Next question, hon. Fowdar!

### **PSC, DFSC, LGSC – COMMISSIONERS - APPOINTMENT**

**(No. B/1017) Mr S. Fowdar (Third Member for Grand’Baie & Poudre d’Or)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Public Service Commission, the Disciplined Forces Service Commission and the Local Government Service Commission, he will state if consideration will be given for amendments to be brought to the eligibility criteria for the appointment of the Commissioners thereof to include the requirement for the applicants therefor to hold a Master’s Degree or preferably a PHD and having at least 15 years’ experience in the field of Human Resource Management or any related field and for the public calling of applications for the filling of the vacancies arising thereat.

**The Prime Minister:** Madam Speaker, as the House is aware, the Public Service Commission and the Disciplined Forces Service Commission are constitutional bodies established respectively under sections 88 and 90 of the Constitution. No qualifications have been prescribed for the Commissioners. Sections 88 and 90 of the Constitution do however provide that no person shall be qualified for appointment as a Commissioner of the PSC or of the DFSC if he is a member of, or a candidate for election to, the National Assembly or any Local Authority, a public officer or a Local Government officer.

With regard to the Local Government Service Commission, there are likewise no prescribed qualifications for the members. Section 5 of the Local Government Service Commission Act provides however that no person shall be appointed as Member of the Commission if he is a member of, or a candidate for election to the National Assembly or a Local Authority, or is a Local Government officer.

It is also noteworthy that the Commissioners of the PSC and DFSC are appointed by the President of the Republic, acting after consultation with the Prime Minister and the Leader of the Opposition. As regards the appointment of the Chairperson and Members of the LGSC, they are appointed by the President acting on the advice of Cabinet.

In exercising their appointing powers with respect to these Commissions, the President and Cabinet take into account the qualities and competences required of the members, before making the appointments.

I am also given to understand that both the PSC and the LGSC have recourse to the services of qualified professionals to advise interviewing panels on the technical aspects of certain specific posts.

It is, therefore, considered that the need to specify any academic qualifications is neither necessary nor justified.

**Mr Fowdar:** Thank you, Rt. hon. Prime Minister, for the reply. Rt. hon. Prime Minister, this is a humble request! I want these institutions to go up in the eyes of the public. They need to be more credible and if we have qualified people, honest people, the level of people recruited in the civil service will go up and that would increase the efficiency in the civil service. I would humbly ask you to look into the matter...

**Madam Speaker:** Please, address the Chair!

**Mr Fowdar:** ...whether these people need to be qualified.

**The Prime Minister:** I suppose that the President, the Cabinet, they choose competent people and that is what is required.

**Madam Speaker:** Next question, hon. Bhagwan!

#### **PMO - MR P. M., SENIOR ADVISER - OVERSEAS MISSIONS**

**(No. B/1018) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to Mr P. M., Senior Adviser at his Office, he will state –

(a) the Boards on which he presently serves as representative of his Office, if any, indicating in each case –

(i) since when;

- (ii) the term thereof, and
  - (iii) the number of overseas missions undertaken in relation thereto, indicating the countries visited, duration thereof and expenditure incurred in relation thereto, and
- (b) if he has approved the issue of a diplomatic passport thereto and, if so, indicate the number of times he has travelled therewith, since January 2015 to date.

**The Prime Minister:** Madam Speaker, concerning parts (a) (i) and (a) (ii) of the question, I refer the hon. Member to the reply I made to Parliamentary Question B/4, on 29 March 2016, in respect of Mr P.M., Senior Adviser of my Office.

As regards part (a) (iii) of the question, I am advised that Mr P.M. has participated in only one official mission, overseas, namely Singapore, in his capacity as one of the Directors of Air Mauritius Ltd. He was paid 900 euros for 3 days, namely from 12 to 15 October 2015. As sitting Director of the Board of Air Mauritius Ltd., he is eligible for complimentary air tickets.

As regards part (b) of the question, Mr P.M. was issued with a diplomatic passport on 10 August 2010.

Since his appointment as Senior Adviser at my Office in January 2015, Mr P.M. has travelled, twice, with his diplomatic passport for official mission, as follows –

- (i) from 26 October to 04 November 2015 to form part of the official delegation led by me in respect of the 3<sup>rd</sup> India-Africa Forum Summit, in New Delhi and Mumbai, and
- (ii) from 07 to 18 September 2016 to attend the Air Corridor Strategic Workshop in Singapore and as part of the official delegation led by the Minister of Finance and Economic Development to India.

This is in line with the long standing established practice whereby Senior Advisers of the Prime Minister's Office do travel with diplomatic passports whilst on official mission.

Madam Speaker, I wish to point out that all procedures have been followed in the case of Mr P.M. In fact, his different applications to the Intermediate Court for a variation order of the "Objection to Departure", before his departure on official missions, were granted. Only then, by virtue of the position he occupies that Mr P.M. was allowed the use of his diplomatic passport since he was travelling on official mission.

**Madam Speaker:** Hon. Bhagwan!

**Mr Bhagwan:** Can I ask the Rt. hon. Prime Minister whether he finds it normal that somebody, who is facing justice for a severe corruption case which is actually being discussed in Court, the Boskalis case, forms part of a high-level delegation led by the Prime Minister and recently by the Minister of Finance and Economic Development to meet the more so the Prime Minister of India? Does the Rt. hon. Prime Minister find this normal and is it good for the reputation of Mauritius?

**The Prime Minister:** I don't know what to say about this. He is prosecuted, it is true, for quite a serious offence but, at the same time, he has been acting as an adviser in my Office because, I must say, he is a competent person and there is this presumption of innocence. He is presumed to be innocent until his guilt is proved.

*(Interruptions)*

**Madam Speaker:** Hon. Dayal, nobody asked you for your comments!

*(Interruptions)*

Nobody asked you!

*(Interruptions)*

Have you got another question, hon. Bhagwan?

*(Interruptions)*

Hon. Bhagwan!

*(Interruptions)*

Yes!

*(Interruptions)*

Hon. Dayal, please !

*(Interruptions)*

**Mr Bhagwan:** *Eta reste trankil, to pa gagne droit même...*

**Madam Speaker:** Hon. Bhagwan, please proceed with your question!

**Mr Bhagwan:** The Rt. hon. Prime Minister has mentioned the word competence. We know the competence of Mr P.M. in other matters! Can the Rt. hon. Prime Minister inform

the House whether he has received many representations even in writing about the daily interference in the day-to-day matters of Boards like Air Mauritius, the Board of Investment and the State Bank where this Mr P.M., who is facing justice, is doing every day and using the name of the Prime Minister?

**The Prime Minister:** I have been told of this and I have enquired, and it has been proved not to be true.

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan, last question!

**Mr Bhagwan:** Can I know whether the Rt. hon. Prime Minister has received recently representations from the Chairperson and even his senior staff concerning the interference of Mr P.M. in the censure of daily news bulletins of the MBC/ TV? He is interfering there also even to remove certain Ministers from appearing on the MBC/TV?

*(Interruptions)*

**The Prime Minister:** I have not received anything of that sort!

*(Interruptions)*

**Madam Speaker:** Time is over! The Table has been advised that Parliamentary Question B/1057 in regard to the street lighting system on the M1, M2 and M3 Motorways will be replied by the hon. Vice-Prime Minister, Minister of Energy and Public Utilities. Parliamentary Question B/1058 in regard to the shipwreck of the MV Benita will be replied by the hon. Minister of Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Islands. Parliamentary Question B/1062 in regard to the number of graduates in the welding sector will be replied by the hon. Minister of Education and Human Resources, Tertiary Education and Scientific Research. Parliamentary Question B/1067 in regard to the creation of posts in the public sector for the period 2005 to date will be replied by the hon. Minister of Civil Service and Administrative Reforms. Parliamentary Question B/1071 has been withdrawn. Hon. Rughoobur!

#### **NATIONAL ICT STRATEGIC PLAN 2015-2020 – BUDGET EARMARKED**

**(No. B/1033) Mr S. Rughoobur (Second Member for Grand' Baie & Poudre d'Or)** asked the Minister of Technology, Communication and Innovation whether, in regard to the National Technology, Communication and Innovation Strategic Plan 2015-2020 as proposed in the Government Programme, he will state the budget earmarked for training and

development therefor for the year 2015-2016, indicating the total amount invested therein as at to date.

**Mr Sinatambou:** Madam Speaker, at the very outset, I would like to inform the House that my Ministry has not yet launched, but is currently finalising a National ICT Strategic Plan for the period 2016-2020.

The National ICT Strategic Plan 2016-2020 is a Strategic Paper which has been elaborated in line with Vision 2030 of the Government to transform our country into an all-inclusive information society. Such transformation will translate into enhanced service delivery leveraged by Internet-based applications and ICT infrastructure across different sectors of our economy such as healthcare, education, transport, safety and the environment as well as the development of existing and emerging sectors which, we expect, will offer attractive job opportunities to our youth.

One of the objectives set out in the National ICT Strategic Plan 2016-2020 is to consolidate the ICT/BPO sector as one of the main engines of economic growth by aiming to substantially increase annual revenue by 2020. It is, therefore, expected that additional skill power will be required to ensure that the objectives set are met within the set time frame.

Among the strategic areas of intervention in the National ICT Strategic Plan 2016-2020, the implementation of a comprehensive capacity building programme plays an essential role to ensure that there exists an adequate talent pool for the sustained development and growth of the ICT/BPO sector.

In line with the Plan, the Government allocated a sizeable budget of no less than Rs50 m. in the Budget 2015-2016. Funds earmarked were primarily meant to mount training programmes to cater for the needs of the industry as well as the creation of an adequate talent pool.

As regards the Budget 2016-2017, 1000 young SC, HSC, Diploma and Degree holders will be trained in ICTs for a total budget of Rs71.5 m. As regards budgetary requirements for training and development in the ICT sector for the forthcoming financial years, my Ministry will first finalise the National ICT Strategic Plan 2016-2020 before engaging in consultations with the Ministry of Finance and Economic Development as well as with other stakeholders with a view to achieving the targeted growth path of the ICT/BPO sector as will be set out in the strategic plan.

**Madam Speaker:** Hon. Rughoobur!



**Mr Rughoobur:** Yes, thank you, Madam Speaker. The hon. Minister has rightly stressed on this capacity building initiative of the Government and let me quote also something really important because this is a very important sector for our economy, which was mentioned in the Government Programme 2015-2019 and I quote –

“One of the glaring gaps identified so far in the ICT sector is the shortage and the right mix-match of skills.”

May I know from the hon. Minister, he has been speaking about capacity building, with regard to the ICT Academy, if the structure has been set up? Is it functioning? Is it operational? What is the status today?

**Mr Sinatambou:** Training at the moment is with two Ministries. First, it is with the Ministry of Education and Human Resources, Tertiary Education and Scientific Research and second, with the Ministry of Labour, Industrial Relations, Employment and Training which is also responsible for training. Accordingly, no budget has been given to keep the ICT Academy operational as at today and budgets for training have been allocated to those two Ministries. However, we have made sure that, to cater for this mismatch between academic skills and employability, my Ministry is working with leading companies in the sector, for example Oracle and IBM, in order to have additional technical training to try and fill in this gap between the academic skills and the employability of youngsters.

**Mr Rughoobur:** Referring specifically to software development and mobile application where it appears that there is a market in the region, I know that there has been this Ébène accelerator that has been put in place. Apart from this, may I know from the hon. Minister what are the few initiatives that have been taken so that the country can tap on these opportunities that are there in the region?

**Mr Sinatambou:** With Oracle, we are working on establishing a Centre of Excellence where we are hoping to have more than 700 youngsters trained yearly in Oracle capacity. The reason is that Oracle is a USD66 billion yearly turnover company which is five times richer than Mauritius and they have stated to us that no Oracle trainee is without a job in the world. So, that's one way of tapping existing opportunities.

The second way in which we are working is that we have signed a Memorandum of Understanding with IBM. Now, IBM is even richer than Oracle. It has a turnover of USD83 billion a year. We have signed a MoU with what is called the Middle East and Africa (MEA) University of IBM and they are setting up a Course Delivery Centre in Mauritius where we

are hoping to train about 200 people a year, that is, to try and go into the sectors of software application and mobile application.

**Mr Fowdar:** Madam Speaker, can I ask the hon. Minister whether he has got a budget for innovation and whether his budget together with the MRC budget for innovation are working together?

**Mr Sinatambou:** If the hon. Member does not mind, I have got three other questions. Two of them are on innovation later on and it would be more appropriate that I answer his question with two of the other questions coming. If that is ok with him!

**Mr Mahomed:** Madam Speaker, we have heard from the reply of the hon. Minister of Oracle's policy, that is, for every Oracle trainee to have a job. Concretely and at operational level in Mauritius, what has this led to? How many Oracle trainees have been employed so far?

**Mr Sinatambou:** Well, I did not say that Oracle has got a policy that every single Oracle trainee gets a job. It so happens that from the explanation of their Vice-Presidents, they state that throughout the world, no Oracle-trained person is without a job. In other words, there is a demand for their people.

Now, in terms of operationalising what I have stated, we are still discussing the setting up of the Oracle Centre of Excellence. So, it is only after that, that the question of operationalising will arise.

**Madam Speaker:** The Table has been advised that PQ B/1041 has been withdrawn. I suspend the sitting for one and a half hours.

*At 12.55 p.m., the sitting was suspended.*

*On resuming at 2.28 p.m. with Madam Speaker in the Chair*

## **SECONDARY & TERTIARY INSTITUTIONS – RESEARCH & INNOVATION**

**(No. B/1034) Mr S. Rughoobur (Second Member for Grand' Baie & Poudre d'Or)** asked the Minister of Technology, Communication and Innovation whether, in regard to the strategy for the promotion of innovation among the youth, he will give a list of the initiatives undertaken in secondary and tertiary institutions, in mainland Mauritius and Rodrigues respectively, in collaboration with the Ministry of Education and Human Resources, Tertiary Education and Scientific Research.

**Mr Sinatambou:** Madam Speaker, the promotion of innovation among the youth mainly aims at developing a culture of entrepreneurship based on sound principles of science and technology.

In this context, my Ministry, in collaboration with the Mauritius Research Council and the Ministry of Education and Human Resources, Tertiary Education and Scientific Research, has been involved in a number of initiatives to promote innovation among the youth of the Republic of Mauritius including Rodrigues for both secondary and tertiary institutions.

Among these initiatives are the following ones -

- (i) the Mauritius Research Council which operates under the aegis of my Ministry has carried out a number of outreach initiatives in secondary schools around the island. The Ministry of Education and Human Resources, Tertiary Education and Scientific Research has facilitated the outreach activities in the technical, vocational education and training institutions as well as in public tertiary institutions. The Mauritius Research Council has been organising outreach exercises such as extracurricular activities –
  - (a) to promote a holistic development of learners;
  - (b) to foster awareness and sensitisation programmes to promote research and innovation in schools and colleges, and
  - (c) to create interest and motivation in young minds to undertake innovative projects.
- (ii) the Ministry of Education and Human Resources, Tertiary Education and Scientific Research in collaboration with the Mauritius Research Council is currently finalising modules on creativity and innovation and will introduce same in the curriculum for Grades 7 to 9 at secondary level next academic year;
- (iii) as announced in the Budget Speech on 29 July this year, a dedicated faculty of Digital Technology and ICT Engineering is being set up at the University of Mauritius to foster the development of ICT, research and innovation at the tertiary level.

- (iv) Not later than last week, I launched the National Innovation Challenge Competition which aims at encouraging the Youth and the general public for that matter to come up with innovative ideas to solve real life problems in areas like transportation, renewable energy, and waste management.
- (v) In the third quarter of this year, I launched the Best Innovative Business Idea Competition. The National Computer Board will be awarding prizes in the first week of December 2016 to the winners of this Best Innovative Business Idea Competition opened to the Youth and the general public.
- (vi) On or about 12 December, I will be remitting the Best Young Mauritian Scientist Award. This Award is an award meant to recognise and reward the work of the Best Young Mauritian Scientist. The Award covers all areas of Science including the natural and social sciences and promotes a culture of innovation among the youth of our country
- (vii) The Mauritius Research Council is currently working on a new initiative leveraging on robotics and associated emerging technologies to inculcate an innovation spirit at a young age. In this connection, as a first step, a survey on the existence of training programmes for teaching students coding and robotics has been carried out among all the State Secondary Schools in Mauritius with the assistance of the Ministry of Education and Human Resources, Tertiary Education and Scientific Research.

**Madam Speaker:** Hon. Rughoobur!

**Mr Rughoobur:** Thank you, Madam Speaker. Indeed, I note with satisfaction that a lot of initiatives have been taken in order to promote innovation at secondary level and tertiary level. We know that this whole issue of innovation is closely linked with research and development. Will the hon. Minister confirm that, at the level of the MRC, there is a mechanism to evaluate - for example, funds are being provided at tertiary level for research and development – the outcome of such investments and how is it contributing to innovation? Is there a mechanism for evaluation?

**Mr Sinatambou:** Let me first start by saying, Madam Speaker, that the budget of the MRC has been increased from Rs33.4 m. last financial year to Rs87.4 m. this financial year in a spirit of encouraging research and innovation. My Ministry itself has been given a budget of Rs150 m. this financial year under the cluster of innovation. What I can say to the

House is that a number of research schemes have been developed and there are more than 15 of them. I think the House will appreciate that it is only under this Government that innovation has been recognised as a subject matter deemed worthy to be part and parcel of the Ministry. There isn't yet a mechanism to assess the results of all the research and innovation initiatives, but I am sure that as time elapses, we shall be doing the needful to that effect.

**Madam Speaker:** Yes, hon. Rughoobur!

**Mr Rughoobur:** Yes, last supplementary on this, Madam Speaker. The hon. Minister has mentioned the initiatives being taken, I think about the introduction of creativity and innovation in secondary schools. Will the hon. Minister confirm that with this whole process of restructuring the system with the introduction of nine-year schooling, this subject of creativity and innovation is going to form part of the curriculum in the Standards VII to IX? Is he confirming this?

**Mr Sinatambou:** Madam Speaker, as announced in the Budget Speech by the hon. Minister of Finance and Economic Development, yes, I can assure the House that the curriculum for Grade VII to IX will now encompass a module for creativity and innovation as from the next academic year.

**Mr Baloomoody:** Can I ask the hon. Minister whether with regard to the primary schools, innovation with IT skills - we know that next year the Standard V students will be examined with regard to IT skills – what is the position? Are they all equipped with appropriate IT equipment?

**Mr Sinatambou:** Yes, Madam Speaker, as I just elicited in my reply – if I can just take a few seconds – the Mauritius Research Council is currently working on a new initiative which aims at leveraging on robotics and associated emerging technologies to inculcate an innovation spirit at a young age. In this connection, as I said earlier, as a first step, a survey on the existence of training programmes for teaching students coding and robotics has been carried out among all the State Secondary Schools in Mauritius with the assistance of the Ministry of Education and Human Resources. As for the Primary sector, with the advent of the tablets which will be introduced next year for Grades I and II, we are currently discussing the possibility of having coding programmes not in terms of pure IT, but as games which we hope we will be able to get into those tablets. This is one of the items under discussion with

Oracle with a programme called ALICE which is a game for coding for students which gets them to be geared towards innovation.

**Mr Fowdar:** Madam Speaker, can I ask the hon. Minister, so much is being spent on innovation and there are a lot of programmes that the hon. Minister has mentioned, is there any product which he can tell us today that has been brought up by the innovators?

**Mr Sinatambou:** Yes, one of the products – maybe I can say – in the pipeline is a private-public project which is being undertaken from waste where they are trying to come up with nano silica. Now, the idea of this project is that nano silica is normally produced from silica which itself is obtained from the waste generated by wheat and rice husk. With the same analogy they are trying to use waste from sugar cane residues to produce nano silica. Now what is interesting, Madam Speaker, is that nano silica sells, I am told, at two and a half thousand dollars a ton whereas sugar, the prime material, is selling at 600-700 dollars a ton. So, if the nano silica project is successful, the final waste obtained from sugar cane residues will produce nano silica which sells at two and a half thousand dollars a ton when the prime product sells at 600 or 700 dollars a ton (of sugar, of course).

#### **GLOBAL INNOVATION INDEX 2015 - MAURITIUS PERFORMANCE**

**(No. B/1035) Mr S. Rughoobur (Second Member for Grand' Baie & Poudre d'Or)** asked the Minister of Technology, Communication and Innovation whether, in regard to the results of the Global Innovation Index 2015, he will state the measures that have been taken to sustain the performance of Mauritius in Africa.

**Mr Sinatambou:** Madam Speaker, according to the report of the Global Innovation Index in 2015, Mauritius ranked 49<sup>th</sup> among 141 countries and 1<sup>st</sup> in Africa. However, there are still a number of areas where improvements can and are being addressed.

The House will appreciate that for the first time in the history of Mauritius, Government has given due recognition to innovation by creating a Ministry for the subject matter. Madam Speaker, it is also appropriate to note that the Global Innovation Index is compiled by the World Economic Forum and the World Intellectual Property Organisation and that the ranking and performance of a country is based on its innovation efficiency ratio.

This innovation efficiency ratio comprises seven criteria namely -

- institutions;
- human capital and research;

- infrastructure;
- market sophistication;
- business sophistication;
- knowledge and technology, and finally,
- creative output.

As regards the institutions criterion, Mauritius is ranked 24<sup>th</sup> in the world and has done fairly well on the sub-indices being assessed thereunder, namely –

- political environment;
- regulatory environment, and
- business environment.

My Ministry, however, continues to provide the necessary support to institutions such as the Board of Investment, with a view to ensuring that the right electronic platform such as the e-licensing system gets into place for the conduct of businesses.

Moreover, as announced in the last Budget, both the ICTA and the IBA, the regulators for ICTs and broadcasting respectively, will be merged to ensure greater efficiency in a converged telecommunication and broadcasting environment.

Regarding the human capital and research criterion, which comprises Education, Tertiary Education and Research and Development, I would like to highlight the following measures taken to improve the country's performance in that specific area. Government is, indeed, presently bringing major reforms in the educational system and, in this regard, a budget of Rs500 m. has been earmarked to provide free PC tablets to children of Grades I and II.

Free Broadband Internet connectivity will be provided to secondary schools by March 2017. A National Innovation Framework is currently being finalised for an innovation driven economy.

A budget of Rs125 m. was allocated to my Ministry in 2015 under the innovation cluster. A number of innovation schemes were launched in 2015 for the promotion of research, development and innovation.

**Mr Rughoobur:** Madam Speaker, the hon. Minister mentioned the National Innovation Framework 2016-2020. May I know from the hon. Minister whether there is a timeframe and by when will this document be published and made public?

**Mr Sinatambou:** As I stated in an earlier reply, the National Innovation Framework is currently being finalised by my Ministry, and we expect that it will be made public during the first quarter of next year.

**Mr Jahangeer:** Can the hon. Minister confirm where we stand with the project Internet of Things?

**Mr Sinatambou:** Well, there may be a misunderstanding. Internet of Things is not something which is done by my Ministry. Internet of Things is the connection of objects through the Internet to bring results or to be put to the use of citizens. It is like using your telephone to see, through a camera, whether your child is sleeping safely at home while you are in Parliament. So, my Ministry, as such, has not got much to do with it. However, what we try to do is to facilitate things, which is where we need new comers in the industry. We need to inculcate that spirit of innovation in the youngsters, we need to encourage them with the Innovation Schemes at tertiary level and encourage others to start looking into those matters, but there is no project as such for the Internet of Things at my Ministry.

**Madam Speaker:** Hon. Rughoobur, last question on this issue!

**Mr Rughoobur:** Thank you, Madam Speaker. The hon. Minister has been mentioning a series of initiatives by his Ministry. May I know from the hon. Minister the initiatives that have been taken jointly by the private sector in order to promote innovation and sustain this good performance?

**Mr Sinatambou:** I don't have them at hand, but I know that there are at the moment eight projects which are being implemented by the private sector. I will circulate the list of projects to the Member. But I would like to emphasise one thing which ought to be known by the House. It is that we are currently upgrading our infrastructure. It is not only infrastructure at work or in a research institution. With the process of optical fibering of the whole country, which is ongoing at the moment, already in terms of the percentage of penetration of optical fibre countrywide, we are 15<sup>th</sup> in the world. We are hoping that, by the end of next year, we will join the top 10 in the world, and this would allow people to do whatever they want to do from their home. The optical fibre will be at their place.

**Madam Speaker:** Next question, hon. Rughoobur!



## OECD INNOVATION STRATEGY 2015 – IMPLEMENTATION

(No. B/1036) **Mr S. Rughoobur (Second Member for Grand’Baie & Poudre d’Or)** asked the Minister of Technology, Communication and Innovation whether, in regard to the OECD Innovation Strategy 2015, he will state the measures that have been taken for the implementation of the proposals contained therein.

**Mr Sinatambou:** Madam Speaker, it is common wisdom today that new sources of growth are needed to achieve inclusive and sustainable development. In this respect, the OECD Innovation Strategy of 2015 attaches much importance to innovation as a key driver of growth and development, especially because it is agreed that innovative economies are more productive, more resilient and more adaptable to change.

The OECD Innovation Strategy was devised to meet the common requirements of OECD countries, which mostly comprise European countries. Although the OECD Strategy 2015 is not binding on Mauritius, the National Innovation Framework currently being finalised by my Ministry shows convergence between the OECD Innovation Strategy 2015 and our own innovation framework in respect of the five priorities spelt out in the OECD document.

The first OECD priority, which relates to strengthening investment in innovation and fostering business dynamism, is captured in the National Innovation Framework which, *inter alia*, states, I quote –

“The alliance of innovation and infrastructure is very critical. Infrastructure is an essential wheel for innovation and hence needs to be highly advanced to promote the interest of innovation and growth.”

The second OECD priority, which relates to investing in and shaping an efficient system of knowledge creation and diffusion, is captured in our National Innovation Framework, which states, I quote –

“In order to facilitate achieving the ambitious and noble aims and objectives laid down in the National Innovation Framework, there is a need to groom the stakeholders to prepare them to achieve those aims.”

The third OECD priority, which relates to seizing the benefits of the digital economy, is captured in the National Innovation Framework, which identifies three sectors of

socioeconomic importance which could benefit from ICT as an enabler of innovation in the short term.

The fourth OECD priority, which relates to fostering talent and skills and optimise their use, is captured in the National Innovation Framework, which states that appropriate structures need to be put into place to allow the doers of innovation to operate. There is a need to create an environment where there will be consistent and tactical excellence with specific milestones.

The fifth and last OECD priority, which relates to improving the governance and implementation of policies for innovation, is captured in our National Innovation Framework, which prescribes a governance structure to offer a way to coordinate with various government agencies, education institutions, research organisations, private sectors, entrepreneurs, investors and the general public.

**Mr Rughoobur:** The hon. Minister rightly pointed out the list of five priorities. Based on the load of work and the resources required, may I ask the hon. Minister if he is contemplating to review the functioning and operation of the Mauritius Research Council so that it has the required resources to be able to meet those needs?

**Mr Sinatambou:** Well, I do not think that the time is right to consider restructuring institutions. I think that the time is right to actually have the right policies for innovation, the right mechanisms to ensure that we develop the spirit of innovation, the right structures for training and development. I think innovation as an engine or an enabler of growth requires some time before we start considering restructuring institutions.

**Madam Speaker:** Hon. Fowdar!

**Mr Fowdar:** Thank you, Madam Speaker. Can I ask the hon. Minister if the Director of the MRC is also Chairman in two other bodies? Am I right? Air Mauritius and another body? I think he is somebody very important to the country, being the key person in the MRC. Is it proper to keep him doing other things as well? Is he having sufficient time to concentrate on innovation?

**Mr Sinatambou:** What I can assure the House is that I as Minister responsible for innovation have had full satisfaction with the Executive Director of the Mauritius Research Council and I must say that even regarding the replies on innovation, he has been with me on Saturday, just to say that he still makes time to service the areas where he is working.

**Madam Speaker:** Next question, hon. Osman Mahomed!

**PLAINE SOPHIE - WIND FARM**

**(No. B/1037) Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the second Wind Farm installed at Plaine Sophie, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to the –

- (a) present production capacity thereof;
- (b) forecasted yearly generation in GWh;
- (c) bidding process followed therefor;
- (d) name of the promoter thereof;
- (e) date of signature of the Energy Supply and Purchase Agreement in relation thereto;
- (f) expected date of commissioning thereof, and
- (g) expected yearly CO2 Emission Reduction thereof.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo):** Madam Speaker, I am informed by the Central Electricity Board that –

- (a) the project has not yet started production. However, the capacity as per the Energy Supply and Purchase Agreement is 29.4 MW, comprising 14 wind turbines rated at 2.1 MW each.
- (b) the yearly generation as forecasted by the promoter is around 50 GWh;
- (c) a competitive bidding exercise was carried out, and
- (d) the name of the promoter is Consortium Suzlon Pad Green Co. Ltd.

With regard to the Energy Supply and Purchase Agreement, it was signed on 03 August 2012 and the wind farm was expected to be operational in 2014. There were long delays in starting the operations. It is now expected that the wind farm will be commissioned by end 2017.

The operation of a wind farm does not contribute to any reduction of CO2 Emission. The whole object to renewable energy is to produce electricity without gas emissions.

**Madam Speaker:** Hon. Osman Mahomed!

**Mr Mahomed:** Yes, I have two questions. May we know the reasons for the delay? Was it because of court cases or other reasons?

**Mr Collendavelloo:** Well, what I understand is that there were complainants who had objected to the project. There was also and there is still a question of forestry. At the time that the project was thought of they had not thought of the labours, they had not thought of the wood which was removed, of the way in which the wood was removed. For the neighbours, I had nothing to do with it. They sorted it among themselves. For the forestry we are lucky to have a Minister who is very proactive and I believe this has already been sorted out by the Forestry Department.

Now, from what I understand, the project has started already. There was also a problem about the land lease agreement far back in 2014 because of the close proximity with Mare aux Vacoas Reservoir. I can't see how a wind farm can be affected because Mare aux Vacoas Reservoir is very near. This has been sorted out, we have bulldozed this away.

Because the site was on marshy land, the Municipality of Vacoas in those days objected to the cutting of trees. I mean, there are a series of objections which were, I would say, invented at that time and delayed the project. The hon. Member, I know, was very affirmative on this, it was very difficult going. I pay tribute to him, he is a hard worker. I see this from the files, but unfortunately, he had no support.

*(Interruptions)*

Even up to now, he has no support!

*(Interruptions)*

We have taken things in hand. I must say, the leadership of the Prime Minister on this particular aspect was tremendous and I had no difficulty at all!

*(Interruptions)*

**Mr Mahomed:** Well, thank you. A project of this magnitude will require substantial off-site infrastructure and probably a substation. Who is footing the bill for this? Is it the Central Electricity Board or the promoter?

**Mr Collendavelloo:** Can we just wait for one minute? It is inscribed in the ESPA. Exactly, there is the substation; normally, it should be the CEB just as has been done everywhere, but let me just wait to have confirmation of that. Yes, the cost of the

interconnection is borne by the promoter up to the substation, but the substation is borne by the CEB.

**Madam Speaker:** Hon. Ganoo!

**Mr Ganoo:** Can the hon. Vice-Prime Minister indicate to the House what is the price per KW for this project?

**Mr Collendavelloo:** It is Rs6.45.

**Madam Speaker:** Hon. Osman Mahomed!

**Mr Mahomed:** The hon. Vice-Prime Minister has made mention of 50GWh yearly production. What amount of CO<sub>2</sub> has been displaced? My question is: had we gone for coal, we would have generated CO<sub>2</sub>, but now we are going for renewable energy, so can we have an idea of the amount of CO<sub>2</sub> being displaced?

**Mr Collendavelloo:** Then we go into the realm of hypothesis because if we had done coal, if we had done thermal, if we had done like Medine, if we had done purely bagasse, if we had done coal-bagasse, all hypotheses are possible. But, I stuck to the question, the expected yearly CO<sub>2</sub> emission reduction thereof. So, I answered to that question, it is risky for me to hazard a scientific explanation without having had notice.

**Madam Speaker:** Next question, hon. Osman Mahomed!

#### **PHOTOVOLTAIC FARMS – ELECTRICITY PRODUCTION**

**(No. B/1038) Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the production of electricity from the second phase of photovoltaic farms, including the 5 X 2MW one, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to the –

- (a) date of initiation thereof;
- (b) bidding process followed therefor, and when
- (c) number of Energy Supply and Purchase Agreements signed in relation thereto, as at to date, indicating the –
  - (i) respective dates thereof;
  - (ii) names of the promoters thereof, and

- (iii) location sites thereof;
- (d) expected date of commissioning of each plant;
- (e) forecasted total yearly generation in GWh, and
- (f) expected total yearly CO2 Emission Reduction thereof.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo):** It is almost the same answer.

*(Interruptions)*

With regard to parts (a) and (b) of the question, I am informed by the CEB that a competitive bidding was initiated on 01 March 2012 for the 5x2 MW Solar Photovoltaic Farms. Five projects were selected.

The CEB signed the Energy Supply and Purchase Agreements as follows –

- (i) on 24 February 2014 with Synnove Energy for a power plant at Petite Retraite and one at l'Esperance;
- (ii) on 24 July 2014 with Alteo Astonfield Solar Ltd for a plant at La Gaulette, and Astonfield Solar (Mauritius) Limited for a plant at Union Flacq, and
- (iii) on 24 November 2014 with Harel Mallac for a project at Mon Choisy.

For some time all these projects remained dormant or moved at a very slow pace for various reasons. My Ministry intervened last year to give added impetus to the projects and CEB requested the promoters to ensure the implementation within set deadlines.

As a result, the two projects of Synnove Energy and the plant at Mon Choisy are expected to be commissioned next month. With regard to Alteo Astonfield Solar Ltd and Astonfield Solar (Mauritius) Limited, CEB has served a termination notice on 23 June 2016 and 31 October 2016 respectively as they have failed to satisfy certain conditions specified in the ESPA.

As I stated in my previous reply, the operation of these plants does not contribute to any reduction of CO2 emission. The whole object of renewable energy is to produce electricity without gas emission.

**Mr Mahomed:** Are neighbours still responsible for the delays because of court cases?

**Mr Collendavelloo:** No, in this case this is not a question of neighbours. There were problems with equipment, with shipments. For the La Gaulette 1, the promoter wanted to change the site which is not possible. There are a variety of reasons not related to neighbours. I have got to be careful there. CEB says that it is for the two Astonfields, it is their fault because they have failed to comply with the conditions. The others lagged behind, but we were able to spell them into completion.

**Madam Speaker:** Next question, hon. Osman Mahomed!

### **ELECTRICITY PRODUCTION - POWER PURCHASE AGREEMENT**

**(No. B/1039) Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the production of base load electricity, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to if discussions are being held/completed with any sugar estate therefor and, if so, indicate –

- (a) the name thereof;
- (b) if an existing Power Purchase Agreement (PPA) will be renewed or a new one with additional production capacity will be signed;
- (c) the current generation capacity in GWh and the expected capacity as stipulated in the new PPA;
- (d) the bidding process followed;
- (e) the proposed fuel to be used, and
- (f) the expected total yearly increase in CO2 emission, if any.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo):** Madam Speaker, the Power Purchase Agreement with Alteo Energy Limited will terminate on 22 December 2018. This agreement provides for contractual export of 27 MW onto the grid.

In accordance with the original Power Purchase Agreement, two years before termination, either party was at liberty to notify the other party of its intention to renew the agreement - two years, that is, 22 December 2016. CEB has, by letter dated 23 November 2016, informed Alteo of its wish to renew the agreement, but on terms and conditions to be agreed between the parties.

Prior to this, Alteo Group had submitted a project proposal to the Central Electricity Board for a more efficient coal-bagasse power plant which would export 66 MW in crop season and 74 MW in the intercrop. The project included the use of additional biomass in the form of cane trash and cane tops. This is in line with the new policy to reduce the coal/bagasse ratio to 1:1 instead of 2:1 as existed in previous arrangements.

In February 2016, a Committee was constituted at my Ministry to start discussions with the Alteo Group. The Committee is chaired by the Director General of my Ministry and comprises representatives of the Prime Minister's Office, the Ministry of Finance and Economic Development, the Ministry of Agro Industry, the Ministry of Environment, Sustainable Development, Beach and Disaster Management, the Mauritius Cane Industry Authority and the Central Electricity Board. The Committee is currently carrying out a preliminary appraisal of the technical aspects of the project.

With regard to part (b) of the question, a new PPA will have to be signed. The CEB has sought the assistance of the African Legal Support Facility of the African Development Bank to vet the Draft PPA and assist in the negotiations with Alteo.

With regard to part (c), the current contractual energy generation by Alteo is 115 GWh from coal and 45 GWh from bagasse making a total of 160 GWh. This is under the 1997 contract. It is expected that the new PPA will, if concluded, cater for about 400 GWh, i.e. 200 GWh for coal and 200 GWh for bagasse/biomass.

As regards part (d), there was no bidding process as there is no need for a bid.

As regards part (e), the fuel being contemplated is coal together with bagasse, supplemented by cane trash. This will be, as I have just stated, in the ratio of 1:1 coal and biomass.

As regards part (f) of the question, electricity produced by Alteo must be viewed in conjunction with electricity produced by CEL (Consolidated Energy Ltd). For the moment, CEL is generating electricity exclusively from coal, all canes of CEL having been diverted to Alteo.

Alteo is generating more electricity from bagasse. The CEL contract terminated in 2015 and stands renewed up to 2018.

In respect of CEL, the contract was for 65 GWh coal and 45 GWh bagasse. For that particular region, bagasse was contributing only 100 GWh per year. With the new



technology, it is expected that the same amount of bagasse supplemented with some cane trash will enable production of 200 GWh of green energy. Keeping the ratio of 1:1, it is expected that coal will induce production of 200 GWh.

Considering that the average consumption of coal per kilowatt hour for Alteo and CEL amounts to 474 grams per kilowatt hour generated by the plants and the proposed Alteo project will have an estimated overall consumption of coal amounting to 285 grams per kilowatt hour, there is an estimated overall reduction of about 40% in coal consumption per kilowatt hour and a commensurate reduction in CO<sub>2</sub> emissions.

**Mr Mahomed:** Madam Speaker, I have three questions. I will ask them one at a time. Clearly, we are moving from 27 MW to 66 MW and 74 MW depending on the season. Does this not tantamount to an unsolicited proposition from Alteo, if that is the case, in what way is it different from the then proposed CT Power Project?

**Mr Collendavelloo:** This is, first of all, a legal debate. This is not, in my view, an unsolicited proposal. There is a contract. The contract is due to terminate. The contract provides that, two years before termination, we can renegotiate a renewal under such terms and conditions as the parties make it. So, it is one contract which continues. In legal terms, we can call it a renewal, a novation or a new contract. Let us see how things can happen. It could have been possible to merely have an *avenant* in the contract as many private deals do. My experience shows that writing an *avenant* in a contract leads forcibly to interpretation disputes. It is much better to write a new contract rather than to tinker about with a 20-year old contract where technology has advanced so much. So, when views were taken, I gave the view that it was much better to have a new contract altogether. This is why we solicited the help of the African Legal Support Facility of the African Development Bank because we wanted to have as neutral an objective/a view as possible on this. So, I do not share the view that it is an unsolicited bid.

**Dr. Sorefan:** Madam Speaker, we are very much concerned about CO<sub>2</sub> emission. Can the hon. Vice-Prime Minister explain to the House why CEL Beau Champs, which is Alteo, if I am not wrong, is allowed to produce with 100% coal which is bound to have an adverse effect on CO<sub>2</sub> emission?

**Mr Collendavelloo:** Let us go back in time for 20 years. Twenty years back, we are back in time to the 1990s to 2000 etc. The technology was what it was. Twenty years ago, the contract was signed and it was to expire in June 2015. When it was going to expire, the

old Government had a choice to make because Consolidated Energy Ltd (CEL) – I read that from my file and from information given to me – had, at that time, under the preceding regime, said: “Listen, our agreement is terminating. We are going to move our factory to Tanzania or some other place”. So, the Government of the day negotiated with CEL and they were saying also that they are going to remove all their canes to Beau Champ and, therefore, close their factory. That would have led to a shortfall of some 22 Megawatts of electricity. What the previous regime did? They negotiated and they had that deal for a 100% coal. Now, was it a right decision or a wrong decision? We can debate. But a decision had to be taken. When decisions have to be taken, some are right and some are wrong. I don’t believe it was a wrong decision, personally. Others have got different opinions. But what could have been done? We would have closed down the factory! So, when I took over, I encouraged this new operation and it is only for three years. In 2018, it is going to shut down. That is what I can say because don’t forget that by 2018 we hope St Louis will come into operation. The new renewables will have come into operation, then CEL, Beau Champ can close down without big havoc in the country.

**Madam Speaker:** Hon. Rutnah!

**Mr Rutnah:** Thank you, Madam Speaker. Can I ask the Vice-Prime Minister whether he has been made aware of an allegation of possible conflict of interest, that a high ranking officer of the CEB is alleged to be conducting negotiations with his sons who represent a company called Albioma, the technical partner of Alteo, and if so, what action has been taken to stop this conflict of interest?

**Mr Collendavelloo:** Madam Speaker, I have heard this malicious allegation. This allegation has been engineered and crafted by a despicable character who is in the spare parts business and whose sole interest is to try and procure contracts for the supply of spare parts to Alteo. Mudslinging forms part of his marketing strategy and it is actuated purely by greed. The allegations which he has crafted out his mind are completely false and unfounded.

*(Interruptions)*

I will invite the House, the hon. Member and the population at large not to pay heed to these false and malicious assertions which may be of a nature to destabilise our energy system. In fact, CEB is holding technical meetings with Alteo and the technical team of CEB is composed of - I will give the names - Mr Mukoon, Production Manager; Ms Ahon, Acting

Senior Professional; Mr Rujbally, Acting Senior Engineer; Mr Mungrah, Acting Treasurer. On the Albioma side, it is Mr Louis Decrop and Mr Jérôme Jean.

I am also tabling a list of the members of the steering committee in relation to these negotiations.

*(Interruptions)*

**Madam Speaker:** Hon. Osman Mahomed, a last question on this issue. We have canvassed this for more than 15 minutes now.

**Mr Mahomed:** In June 2016, we voted amendments to the Utility Regulatory Authority Bill, and quickly after it was operationalised. Was the URA consulted over this contract and what were the views tendered by the URA?

**Mr Collendavelloo:** No. URA, although has been set up, needs also technical assistance. I have met *Agence Française de Développement* and we are setting up a package for technical assistance with the new members of the URA. We need to have the financial and administrative set up and licencing possibilities before we go into it.

**Madam Speaker:** Next question, hon. Dr. Sorefan!

### **SICOM - PROPERTIES ACQUISITION**

**(No. B/1040) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Minister of Financial Services, Good Governance and Institutional Reforms whether, in regard to the properties acquired by the State Insurance Company of Mauritius Ltd. since 2005 to date, he will, for the benefit of the House, obtain from the Company, information as to the names of the lessees thereof, indicating the quantum of the rent paid by the said lessees since the acquisition of the said properties by the Company.

**Mr Bhadain:** Madam Speaker, I am informed by the SICOM that it has acquired one asset from 2005 to date which is SICOM Tower Building at Ebène. The building was acquired by SICOM in May 2014 from Arushi Development Limited under a VEFA agreement signed in September 2012.

I am further informed that in April 2015, the building has been leased out by SICOM to the Ministry of Finance and Economic Development under centrally managed initiatives of Government except for the ground floor which is still occupied by SICOM itself. The quantum of total rent paid as at October 2016 is Rs58.7 m.

**Dr. Sorefan:** Thank you, Madam Speaker. Can the hon. Minister inform the House whether two other buildings, namely, one suite on the 4<sup>th</sup> floor at St. James' Court and one at Edith Cavell Street, the ex-Rey & Lenferna have also been acquired by SICOM?

**Mr Bhadain:** Madam Speaker, I don't have this information because the question specifically asked is about properties acquired since 2005 to date and the information provided by SICOM is in relation to that. Now, if there are other buildings prior to that, then if the hon. Member will come with a substantive question, I will surely answer that.

**Madam Speaker:** Next question, hon. Dr. Sorefan!

#### **SSRN HOSPITAL - DR G. – CARDIAC SURGERIES**

**(No. B/1041) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Minister of Health and Quality of Life whether, in regard to Dr. G., Cardiac Surgeon at the Sir Seewoosagur Ramgoolam National Hospital, he will –

- (a) state the number of cardiac surgeries he had performed thereat -
  - (i) within the period of his contract of employment;
  - (ii) outside the period of his contract of employment, and
  - (iii) from the waiting list of Dr. B. who had resigned, indicating the quantum of the fees paid out thereto for the additional cardiac surgeries performed, and
- (b) table copy of the contract of employment thereof.

*(Withdrawn)*

#### **QUEEN VICTORIA HOSPITAL - CARDIAC SURGERIES**

**(No. B/1042) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Minister of Health and Quality of Life whether, in regard to the Cardiac Surgery Department at the Queen Victoria Hospital, he will state if open heart surgeries have been performed thereat, since its coming into operation to date and, if so, indicate the number thereof performed and who performed same and, if not, why not.

**Mr Gayan:** Madam Speaker, I am advised that there is no Cardiac Surgery Department at the Queen Victoria Hospital. So, the other parts of the question do not, therefore, arise.

However, I wish to inform the hon. Member that as from 02 December 2016, a new operation theatre block at Victoria Hospital will become functional. Provision has been made for two operating theatres and one Intensive Care Unit for cardiac patients. Cardiac surgeries will be performed as from Monday 05 December 2016 in the new theatre.

**Dr. Sorefan:** The hon. Minister has mentioned cardiac surgery; may I know whether the Ministry intends, in the near future, to open heart surgeries just to reduce the monopole of SSR Cardiac Centre with one Cardiac Surgeon who is doing *la pluie et le beau temps* there?

**Mr Gayan:** Madam Speaker, in fact, we have more than one Cardiac Surgeon working at the Cardiac Centre. But with regard to open heart surgeries, they are already being done in the North. This is why we are decentralising part of the operations to Victoria Hospital. And apart from open heart surgeries we are also doing beating heart surgeries. So, this is quite an advance in terms of the technique on heart surgeries.

**Madam Speaker:** Next question, hon. Bhagwan!

#### **PARASTATAL BODIES & STATE OWNED COMPANIES - CODE OF CONDUCT - IMPLEMENTATION**

**(No. B/1043) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Minister of Financial Services, Good Governance and Institutional Reforms whether, in regard to the proposed implementation of a Code of Conduct in respect of the Chairpersons and Board Members of parastatal bodies and State Owned companies, Chief Executive Officers, Advisers of Ministers and Press *Attachés*, he will state if same has been finalized and, if so, indicate when same will become enforceable.

**Mr Bhadain:** Madam Speaker, the National Code of Corporate Governance 2016 has been approved by Government and will be effective for reporting period starting 01 July 2017 onwards. The code will be applicable to –

- (i) companies listed on the Stock Exchange of Mauritius;
- (ii) companies regulated by the Bank of Mauritius and the FSC as set out in Schedule I of the Financial Reporting Act, and
- (iii) public interest entities including State-owned enterprises of statutory corporations as defined in Schedule 1 of the Financial Reporting Act.

This new code introduces a concept of apply and explain. Mauritius is one of the countries which will now lead on the introduction of this new methodology focused on

applying the principles of corporate governance in day-to-day operational structures and management of organisations.

Madam Speaker, the new code also provides guidance on the roles and responsibilities of Chairpersons, Board Members, Chief Executive Officers, Sub-Committees of the Board and key management personnel. The relevant entities, that is, companies, SOEs, statutory corporations, as listed in the First Schedule of the Financial Reporting Act, do not capture the roles and responsibilities of Advisers to Ministers and Press *Attachés*.

Madam Speaker, with regard to Advisers, there are a number of circulars which have been issued by the Prime Minister's Office, which clearly set out, so to speak, a Code of Conduct whereby Advisers cannot make public statements without the prior approval of the Prime Minister's Office. I also understand that my colleague, the Minister of Civil Service is working on the proposed Public Service Bill which will also include a Code of Conduct for Ministers and others.

**Mr Bhagwan:** Madam Speaker, recently, the hon. Minister himself stated to the nation that a code of conduct is not respected at the level of Air Mauritius and he even met the Chairperson. Can the hon. Minister inform the House about the latest position and whether he has met Mr Suddoo of Air Mauritius to insist upon him the way forward at Air Mauritius?

**Mr Bhadain:** Well, when I explained the code of corporate governance, which applies to State-owned enterprises and statutory bodies. Of course, Air Mauritius also falls within that category, because it is a public interest entity. The provisions of the new code which are based on the 'apply and explain' concept, will be applicable to Air Mauritius as well. Of course, as I explained last time, Madam Speaker, when companies do not apply what is in the code and have not provided explanations of any material departure from what is prescribed in the code, then, basically, the auditors of the company will have to make that known to the general public and may qualify the audit reports accordingly. I also mentioned last time that we are looking into other avenues to see that if there are serial departures from what has been prescribed and how organisations should work, then we will certainly consider amending the Financial Reporting Act to impose sanctions, such as fines, where companies have not complied.

**Mr Fowdar:** Madam Speaker, what I have heard from the hon. Minister is that you are going to implement the Code of Corporate Governance as from July next year. What

happens in the meantime? Are the Chairmen not supposed to be complying with the Code of Good Governance? What is happening, today, in many of the organisations, the Chairmen are walking in day in day out, as if they are chairmen of the company. They do not understand...

**Madam Speaker:** We have understood your question, hon. Fowdar!

**Mr Fowdar:**...They don't understand the concept of Chairmen.

**Madam Speaker:** Restrain to your question! Don't make a statement, please!

**Mr Fowdar:** Yes. I am putting the question in the context, Madam. Most of the Chairmen don't understand that they are Chairmen of the Board, they are not Chairmen of the company and they do as if they are the Chief Executive and they interfere in the day to day operation of the organisation.

**Madam Speaker:** Yes. Ask your question, hon. Fowdar! Please!

**Mr Fowdar:** Can the hon. Minister say whether there is any solution for that?

**Mr Bhadain:** Absolutely, Madam Speaker. The Code of Corporate Governance has been in existence for 12 years. So, we are not operating in a vacuum. There is an existing code. That code has to be complied with. That code has been relooked at. The National Committee on Corporate Governance has worked on it with representatives of the private sector, people from my Ministry and other people as well. It has been improved, it has been enhanced. And yes, there are still many things which are being done, which are not in line with best practices. Not only now, I mean, he talked about Air Mauritius, we have had Chairmen of Air Mauritius who were sitting on Hedging Committees and then, caused a lot of losses to the company. We are aware as to what has been happening before also, but all of that is being addressed now. The old code is in existence, the new code has been worked on, it has been approved by Cabinet, it is going to be issued by the Chairman of the National Committee on Corporate Governance and it will be applicable for financial statements starting 01 July 2017, for reporting purposes. But, if you want to do good, you can do good and apply it as from now. You don't have to wait for 01 July 2017.

Secondly, I mentioned also that there is a Cabinet decision. One of the first initiatives taken by my Ministry was to clearly define the roles of Chairperson and Chief Executives in all organisations based on what we have seen in the past - there were so many problems in the past - including the position of Executive Chairperson, which has now been abolished, BPML, for example. Now, once we put that in place in January 2015 and Cabinet has

approved it, then we expect that all the State-owned enterprises and statutory bodies, their Chairmen and Chief Executives adhere to the demarcation between the roles and responsibilities of Chairpersons and Chief Executives. It is not only about the code. It is based on professional behaviour, on how people should be acting daily when they are occupying such positions. If it does not change, we will change the law and impose sanctions and fines.

**Mr Bhagwan:** Can the hon. Minister, at least, give assurance to the House - from what he has stated, the coming into force of the new Code of Conduct - whether at the level of his Ministry itself, the Ministry of Good Governance, the parastatal bodies, the Government State-owned company or whatever Commission falling under his Ministry, of all these institutions, the Code of Conduct is being respected and he, himself, his officers, the Advisers, are not giving the bad example, but they should, themselves, give the good example?

**Mr Bhadain:** Well, of course, if the hon. Member has specific examples of something which is being done in a bad way and he comes to me, I will look at it and then I will improve on it, definitely. However, I don't have any instance which has been reported to me, except for one case, which I have previously mentioned before this House, regarding SICOM and I have explained the issues in terms of what the problem was. Now, if there are other cases of non-compliance which fall under my Ministry, I am certainly going to take these people to task and I will invite the hon. Member to provide me with this information.

**Mr Uteem:** The hon. Minister just mentioned that a Code of Corporate Governance has been around for 12 years and it has not been working for 12 years. So, may I ask the hon. Minister why is it that instead of introducing this new code, he did not go one step further and impose sanctions, come up with a Bill to impose sanctions for non-compliance because unless you have sanctions, people will go on not complying with this Corporate Governance.

**Mr Bhadain:** Well, because people are reasonable, when you issue a code of best practice, you expect people to follow it. Now, of course, if there are material departures from the code in terms of non-compliance and Chairpersons and Chief Executives are not acting as they should, then that will be the logical next step and we will come to this House with amendments to the Financial Reporting Act to do that, like has been done recently in the Finance Act, in relation to certain provisions of the Financial Reporting Act. Now, I never said the code was not working. I said there was a code, it was in line with whatever was



happening in those days and it had to be improved in the light of all the malpractices and irregularities which have been taken place under the previous regime. Things continuously progress and we have to move up with time, with technology, with new methodologies and best practices. We are doing that!

**Madam Speaker:** Next question, hon. Bhagwan!

### **MES – DIRECTOR – APPOINTMENT**

**(No. B/1044) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Minister of Education and Human Resources, Tertiary Education and Scientific Research whether, in regard to the Director of the Mauritius Examination Syndicate, she will

—

- (a) for the benefit of the House, obtain therefrom, information as to the —
  - (i) name of the incumbent thereof, and
  - (ii) date and terms and conditions of appointment thereof, and
- (b) state if her Ministry is in presence of representations to the effect that she has participated in a political activity held at Grand Bois and, if so, the actions taken in relation thereto, if any and, if not, why not.

**Mrs Dookun-Luchoomun:** Madam Speaker, in reply to part (a) (i) of the question, I would like to inform the House that Mrs Brenda Sheila Thanacoody-Soborun has been appointed as Director of the Mauritius Examinations Syndicate on 31 March 2015, in accordance with Section 8 of the MES Act for a period of two years.

The salary drawn is Rs110,000 per month and the other terms and conditions attached to the post are as per the recommendations of the PRB Report.

Madam Speaker, concerning part (b) of the question, there has been no representation made to my Ministry. However, it was reported in the press that Mrs Soborun has participated in such an event at Grand Bois.

My Ministry has taken up the matter with the Director of the MES and has called for explanations from her. She has formally been instructed not to engage in such activities in the future and I am told that she has tendered her unreserved apologies.

**Mr Bhagwan:** Can the hon. Minister inform the House, the country and also all the parents of Mauritius, how can somebody who is Director of an institution, responsible for the

organisation of examinations in Mauritius, *qui doit être au-dessus de tout soupçon*, can be sitting in a political gathering of the MSM and ‘*tappe la main*’ with the orange uniform? Does the hon. Minister find this normal? Only a letter of excuse, this is normal! I have not finished, Madam Speaker, please.

**Mrs Dookun-Luchoomun:** The question...

**Mr Bhagwan:** I have not finished! Can the hon. Minister inform the House, apart from this letter of excuse, whether she intends to recommend to the Prime Minister *de faire cette dame démissionner de la MES*?

**Mrs Dookun-Luchoomun:** Madam Speaker, the Director has tendered her apologies and has taken undertaking that she will not engage in such activities and that such incidents would not recur.

**Madam Speaker:** Hon. Baloomoody!

**Mr Baloomoody:** Madam Speaker, what has happened at Grand Bois is very serious. We are talking about a very, very important institution: the Mauritius Examinations Syndicate. They are the ones who set the papers, mark the papers, and decide the future of our children by the ranking of the results. So, what has happened, this institution should be above politics...

**Madam Speaker:** Yes, ask your question!

**Mr Baloomoody:** That lady has been involved in politics, and today people have...

**Madam Speaker:** Yes, ask your question, hon. Baloomoody!

**Mr Baloomoody:**... no confidence in that MES...

**Madam Speaker:** Hon. Baloomoody, ask your question! Don't make a statement!

**Mr Baloomoody:** Can I ask the hon. Minister whether she will do the needful to have that woman replaced immediately, before the results of the next exams, before the starting of the nine-year schooling where this institution will decide to which school our children will go?

*(Interruptions)*

**Madam Speaker:** Order!

**Mrs Dookun-Luchoomun:** Madam Speaker, the needful has been done by the Ministry and we are satisfied with the explanations tendered.

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan!

*(Interruptions)*

Order, please!

*(Interruptions)*

Order!

*(Interruptions)*

Order, I have said! Hon. Baloomoody!

*(Interruptions)*

Hon. Baloomoody, please!

*(Interruptions)*

Hon. Baloomoody!

*(Interruptions)*

I am addressing myself to you, hon. Baloomoody! Please! Yes, hon. Bhagwan!

**Mr Bhagwan:** Can the hon. Minister inform the House whether the only reason why this lady is still at the Mauritius Examinations Syndicate is because she was presented to be a candidate of the MSM, presented by the Minister of Finance and Economic Development, and that this is her only certificate?

*(Interruptions)*

**Madam Speaker:** Hon. Baloomoody, please!

**Mrs Dookun-Luchoomun:** Madam Speaker, I would ask the hon. Member to make sure that he does not start talking about qualifications of people because Madam Soborun has got her qualifications. I do agree that there has been a departure from what we consider to be ethical behaviour...

*(Interruptions)*

**Madam Speaker:** Hon. Baloomoody!

*(Interruptions)*

Hon. Baloomoody, I am calling you to order!

**Mrs Dookun-Luchoomun:** Madam Speaker, I would like to remind the hon. Member that he has had a candidate standing in his party along with him in his alliance last time who had been the Director of the MES, who had stood for elections, who had failed from getting elected and who went back to sit as the Director of the MES!

*(Interruptions)*

**Madam Speaker:** Order, please!

*(Interruptions)*

Order!

*(Interruptions)*

Order, I said!

*(Interruptions)*

Order, I said!

*(Interruptions)*

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

*(Interruptions)*

I suspend the session then!

*At 3.34 p.m., the sitting was suspended.*

*On resuming at 3.43 p.m. with Madam Speaker in the Chair.*

**Madam Speaker:** Next question, hon. Ameer Meea!

## **HAJJ PILGRIMAGE 2016 – HAJJ MISSION REPORT**

**(No. B/1045) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Minister of Arts and Culture whether, in regard to the last Hajj pilgrimage, he will, for the benefit of the House, obtain from the Islamic Cultural Centre (ICC), information as to –

- (a) the composition of the Ministerial Pre-Hajj Mission and of the Hajj Mission respectively, giving in each case a breakdown of the costs incurred in relation thereto;
- (b) details as to the cost of the hotels booked for the pilgrims in Makkah and in Madinah respectively and table copy of the agreement signed between the ICC and the hotels, and
- (c) if the Hajj Mission report is ready and, if so, table copy thereof.

**The Minister of Gender Equality, Child Development and Family Welfare (Mrs A. Perraud):** Madam Speaker, with your permission, I shall reply to Parliamentary Question B/1045.

With regard to part (a) of the question, I am informed by the Islamic Cultural Centre Trust that there was no Ministerial pre-Hajj Mission 2016.

Concerning the composition of the Hajj Mission 2016 and parts (b) and (c) of the question, I am tabling the information requested for.

**Madam Speaker:** Hon. Ameer Meea!

**Mr Ameer Meea:** Madam Speaker, I will have several supplementary questions, but just one thing. The hon. Vice-Prime Minister, Minister of Housing and Lands, hon. Soodhun, - I think it was a Cabinet decision; the hon. Prime Minister instructed him to be involved with the Hajj dossier - did answer several parliamentary questions in this House. I don't know...

**Madam Speaker:** Yes, what is your question?

**Mr Ameer Meea:** ...what has happened today! So, first thing, Madam Speaker, in relation to Hajj this year, unfortunately, this has been the worst Hajj that we have had ...

**Madam Speaker:** Yes, ask your question!

**Mr Ameer Meea:** ...in terms of organisation and difficulties.

*(Interruptions)*

And...

*(Interruptions)*

I am coming to my question...

*(Interruptions)*

**Madam Speaker:** Hon. Ameer Meea...

*(Interruptions)*

Hon. Ameer Meea, I have asked you to ask your question! Ask your question!

**Mr Ameer Meea:** My question is the following: Who has negotiated the hotels in Makkah and Madinah this year, who has signed the contract and also who has negotiated the rate with the hotels? Did the ICC use an agent, a courtier, in the name of Mr Madoo Abdou, this year, to negotiate the rate for the hotels in Makkah and Madinah?

**Mrs Perraud:** Madam Speaker, the question that has been asked by the hon. Member is in the document that I am tabling.

**Madam Speaker:** Yes, hon. Ameer Meea!

**Mr Ameer Meea:** As per the Prevention of Corruption Act 2002, a public official also means an employee or a member of a statutory corporation. For the code of conduct of procurement of public officials, there are ten items, but I will quote only two, that is, accountability and transparency. Therefore - I don't know whether it is in the document or not - has there been any tender exercise, any bidding exercise for the ICC to choose a hotel of Rs63 m. this year?

**Mrs Perraud:** Madam Speaker, I don't have this information.

**Madam Speaker:** Hon. Osman Mahomed!

**Mr Mahomed:** This year, true enough there have been lots of complaints. I think the House is aware of this - it was rampant. What is going to be done next year so that Hajjis do not face the same difficulties that they have been facing this year in that report?

**Mrs Perraud:** Everything is in the report that I have already tabled.

**Madam Speaker:** Hon. Dr. Sorefan!

**Dr. Sorefan:** Madam Speaker, on a point of information, I would like to know whether the hon. Member has mentioned that this is the worst Hajj that we have had all over the years. If he did so, whether he would remove that word because it is really unacceptable!

*(Interruptions)*

**Madam Speaker:** No reply? Go on with your question!

*(Interruptions)*

**Mr Ameer Meea:** Madam Speaker, on a point of personal explanation. I said it has been the worst Hajj in terms of organisation, in terms of the hotel that has been chosen! Fifty-two steps that the Hajjis have had to climb! And I maintain it! It is a shame that someone else is entering in that question...

**Madam Speaker:** Ask your question!

*(Interruptions)*

Ask your question!

*(Interruptions)*

Go on, ask your question!

**Mr Ameer Meea:** Madam Speaker, in the light of all that has happened, namely that there has been a contract of Rs63 m. that has been signed with no transparency, no accountability, will the hon. Minister agree with me that a Commission of Inquiry is necessary to shed light on all that has happened?

**Mrs Perraud:** I will pass this request to my colleague when he comes back.

**Madam Speaker:** Hon. Uteem!

**Mr Uteem:** Thank you, Madam Speaker. I know the hon. Minister is not the substantive Minister. On 15 October 2015 last year, the hon. Vice-Prime Minister stated –

*« Je serai entièrement responsable de l'organisation du Hajj. »*

*(Interruptions)*

**Madam Speaker:** Hon. Ameer Meea!

*(Interruptions)*

**Mr Uteem:** On 11 September 2016, one year later...

*(Interruptions)*

**Madam Speaker:** Hon. Ameer Meea, please don't interrupt!

*(Interruptions)*

Hon. Ameer Meea!

*(Interruptions)*

Order please!

*(Interruptions)*

Order!

*(Interruptions)*

Order, I said!

*(Interruptions)*

Hon. Ameer Meea, please! Have you got a question?

*(Interruptions)*

Hon. Uteem!

**Mr Uteem:** Yes, Madam Speaker, last year, the hon. Vice-Prime Minister stated -

*« Je serai entièrement responsable de l'organisation du Hajj. »*

This year, on 11 September 2016, he said, and I quote –

*« Mo pé pense sérieusement laisse dossier Hajj are ICC à l'avenir. Mo pas envi prend responsabilité, ki après zot blame mwa. »*

So, may I ask the hon. Minister to convey to the Rt. hon. Prime Minister the wish of the population of Mauritius that this organisation of Hajj be taken away immediately from hon. Soodhun and given to someone else?

*(Interruptions)*

**Madam Speaker:** Order!

*(Interruptions)*

Order, I said!

*(Interruptions)*

Order!

*(Interruptions)*

Hon. Uteem!

*(Interruptions)*

Hon. Uteem!

*(Interruptions)*



Can I have some order in the House, please?

*(Interruptions)*

Order, I said!

*(Interruptions)*

Order!

*(Interruptions)*

Can I appeal to hon. Members not to waste the time of the House in trivial discussions?  
Please!

*(Interruptions)*

I am asking all hon. Members not to lose the time of the House! We have got a long agenda  
tonight. So, can I ask all of you...

*(Interruptions)*

Hon. Soodhun!

*(Interruptions)*

Hon. Soodhun!

*(Interruptions)*

Hon. Soodhun!

*(Interruptions)*

Hon. Soodhun, I am addressing myself to you!

*(Interruptions)*

Hon. Soodhun, please!

*(Interruptions)*

Do you want me to suspend again?

*(Interruptions)*

Hon. Soodhun, please! I am addressing myself to you! Can you please keep quiet? Allow the  
process to go on calmly! Please, don't get excited!

*(Interruptions)*

Yes, hon. Ameer Meea!

**Mr Ameer Meea:** Madam Speaker, I just want to draw the attention of the House and your attention as well. The contract that has been tabled by the hon. Minister is not a signed contract. It is a contract, which states the name of Mr Yusuf Saleh Mohammed, Chairman of Mauritius Hajj Pilgrim and the other party, but it is not a signed contract. So, how come that the ICC has entered into an agreement with hotels in Makkah and Madinah, and not even signing the contract?

**Mrs Perraud:** Madam Speaker, this was the document that the ICC gave.

*(Interruptions)*

**Madam Speaker:** Hon. Members, can I draw your attention to the fact that we have a very long agenda today and not to waste the time of the House. Can I ask you then to have some discipline, the decorum of the House and some decency, please? Next question, hon. Quirin!

#### **MAURITIUS CYCLING FEDERATION – NATIONAL TECHNICAL DIRECTOR - RECRUITMENT**

**(No. B/1046) Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière)** asked the Minister of Youth and Sports whether, in regard to cycling, he will state if his Ministry has been consulted and has given its agreement to the Mauritius Cycling Federation for the recruitment of Mr B. R. as National Technical Director thereof.

**Mr Sawmynaden:** Madam Speaker, I have to inform the House that the Mauritius Cycling Federation had consulted my Ministry for the recruitment of Mr B. R. as National Technical Director of the Federation.

Discussions have subsequently been held with the Federation and it had been agreed ...

*(Interruptions)*

**Madam Speaker:** Hon. Soodhun!

**Mr Sawmynaden:** ... that the services of Mr B. R. would not be enlisted as National Technical Director of the Federation.

*(Interruptions)*

**Madam Speaker:** Hon. Soodhun!

*(Interruptions)*

Hon Soodhun, please! Are you going to start again?

*(Interruptions)*

Hon Soodhun, please! I am addressing myself to you! Hon. Soodhun, please!

*(Interruptions)*

Hon. Soodhun, I am asking you to keep quiet so that the House may proceed quietly with the debates! I am asking you not to get excited, please, by what anybody is saying. Yes, hon. Quirin!

**Mr Quirin:** Madame la présidente, si j'ai bien entendu la réponse de l'honorable ministre, est-ce qu'il a bien affirmé que la Fédération du Cyclisme et son ministère sont tombés d'accord afin de ne pas recruter le dénommé B. R.? C'est bien ça sa réponse. Il y avait tellement de bruit.

**Mr Sawmynaden:** C'est bien ça.

**Mr Quirin:** Donc, peut-on savoir quelle est la politique de son ministère en général par rapport à l'embauche d'un Directeur Technique National (DTN) quelle que soit la Fédération ?

**Mr Sawmynaden:** La politique est que la Fédération nous envoie des requêtes pour demander le recrutement d'un DTN et après discussion avec la Fédération, si on tombe à un commun accord, surtout concernant les salaires et tout, à ce moment-là on recrute, sinon ce sera négatif.

#### **10TH INDIAN OCEAN ISLAND GAMES - VILLAGE DES JEUX**

**(No. B/1047) Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière)** asked the Minister of Youth and Sports whether, in regard to the 10th Indian Ocean Island Games to be held in Mauritius in 2019, he will state if the *Comité d'Organisation des Jeux des Iles (COJI)* has identified a site for the setting up of the *Village des Jeux* and, if so, give details thereof.

**Mr Sawmynaden:** Madam Speaker, I am informed by the *Commissaire Général* of the *Comité d'Organisation des Jeux des Iles (COJI)* that the site for the setting up of the *Village des Jeux* for the Indian Ocean Island Games 2019 has not yet been finalised.

The following options are being considered to accommodate the *Village des Jeux* –

- renting of a Cruise Ship;
- renting of one of the Smart Cities that would be earmarked;
- construction of a *Village des Jeux* by the Government itself, and
- using a cluster of hotels.

The option for hiring a Cruise Ship is not being retained in view of the exorbitant costs involved.

As regards the other three options, the *Commission* responsible for *Hébergement et de la Restauration* is still examining all the implications prior to making a proposal to *COJI*.

Madam Speaker, I am further informed that a decision would have to be taken by mid-February 2017 as arrangements relating to the *Village des Jeux* would have to be communicated at the meeting of *the Conseil International des Jeux* scheduled for the end of February 2017.

**Mr Quirin:** Madame la présidente, si j'ai bien compris la réponse du ministre, le COJI ne va pas opter pour l'aménagement d'un Village des Jeux. C'est bien ça la réponse?

**Mr Sawmynaden:** No, no! I said that in regard of the three other options, they are still working on it. The cruise ship has been added.

**Mr Quirin:** Donc, la possibilité qu'il y ait un Village des Jeux existe bel et bien. Pourquoi je sollicite le ministre dans ce sens, c'est qu'il y a eu des informations qui ont été circulées dans les médias aussi dans le giron sportif à l'effet que pour les jeux de 2019, le COJI allait opter pour différents hôtels, dans une certaine région de l'île en particulier, et comme les Jeux des Iles fêteront leurs 40 ans d'existence, si ma mémoire ne me fait pas défaut, en 2019, il serait plus approprié qu'il y ait un Village des Jeux, comme cela est clairement stipulé dans la charte des jeux elle-même.

**Madam Speaker :** Ask your question!

**Mr Sawmynaden:** As mentioned these are the three options, but as the hon. Member is well aware, in 2003, we did build a *Village des Jeux* and we know what happened regarding the selling and the Government has to invest a lot of money as well to build one. So, that is why the cluster of hotels also is an option. We are talking about one full hotel where all the facilities also will be present. So, we are working on all the options and by the end of February, we will finalise on everything.

**Madam Speaker:** Next question, Hon. Quirin!

## **MAURITIUS HANDBALL FEDERATION – PERFORMANCE AGREEMENT**

**(No. B/1048) Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière)** asked the Minister of Youth and Sports whether, in regard to the Mauritius Handball Federation, he will state where matters stand as to the state of affairs existing between his Ministry and the said Federation, indicating the actions taken in relation thereto, if any.

**Mr Sawmynaden:** Madam Speaker, the working relation between the Mauritius Handball Federation and my Ministry is functioning smoothly as is the case with all the National Sports Federations.

As required under section 8(1) (a) of the Sports Act 2013 and the Guidelines issued by my Ministry, a Performance Agreement has been signed between the Mauritius Handball Federation and my Ministry. The Agreement spells out the conditions and the manner in which funds allocated to National Sports Federations should be disbursed during a financial year.

The Mauritius Handball Federation has been allocated a budget of Rs1,625,000 for the current financial year and disbursements are being effected as per agreement signed. As at 15 November 2016, an amount of Rs534,391 has already been released to the Federation to enable it to meet expenses incurred in connection with its planned activities.

Furthermore, my Ministry is putting at the disposal of the Federation the following facilities –

- sports infrastructure for training and competition purposes;
- technical assistance of coach whenever required;
- an office to house its Secretariat;
- inclusion of handball in all national and regional games;
- payment of the monthly allowances to its Administrative Secretary through the MSC, and
- payment of its affiliation fee to the International Handball Federation.

Madam Speaker, I can assure the House that the athletes of the Federation are not in any way penalised by my Ministry.

**Mr Quirin:** Madame la présidente, l'honorable ministre peut-il confirmer à la Chambre qu'il n'y a aucun conflit entre lui-même et le président de la Fédération Nationale de Handball?

**Mr Sawmynaden:** Madame la présidente, il n'y a aucun conflit autant que je sache.

**Mr Quirin:** Peut-on savoir pourquoi son ministère récemment n'a pas approuvé le déplacement d'une vingtaine de jeunes à Rodrigues en particulier en octobre dernier dans le cadre d'une opération de formation et de détection ?

**Mr Sawmynaden:** The activities relating to the Detection Programme in Rodrigues was not included in the performance agreement form, instead there was a Youth Exchange Programme in Rodrigues and the request of the Federation for 21 persons, two officials and 19 players to proceed to Rodrigues for a Detection Programme in Beach Handball in Rodrigues and so has, therefore, not been approved.

**Madam Speaker:** Hon Uteem!

#### **STATUTORY BODIES MUTUAL AID ASSOCIATION LTD. - PUBLIC DEPOSITS**

**(No. B/1049) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Minister of Finance and Economic Development whether, in regard to the Statutory Bodies Mutual Aid Association Ltd., he will, for the benefit of the House, obtain from the Bank of Mauritius, information as to if –

- (a) it is licensed to take deposit from the public and, if so, indicate the aggregate amount thereof it has taken from the public as at to date, and
- (b) the Bank has conducted a special examination thereof and, if so, indicate the outcome thereof.

**Mr Jugnauth:** Madam Speaker, with regard to part (a) of the question, I am informed by the Bank of Mauritius that the Statutory Bodies Mutual Aid Association Ltd does not hold a licence under the Banking Act to take deposits from the public.

With regard to part (b) of the question, I am informed by the Bank of Mauritius that the Chairperson of the Caretaker Committee of the Statutory Bodies Mutual Aid Association Ltd reported to the Bank of certain malpractices at the level of the Company. Pursuant to the powers conferred upon the Bank of Mauritius under section 43(2) of the Banking Act, a special examination of the Statutory Bodies Mutual Aid Association Ltd was conducted by the Bank which revealed that the said company was holding deposits amounting to Rs133 m. in around 460 accounts. I am also informed by the Bank of Mauritius that it made further investigations that revealed that those deposits were, in fact, raised from the public, in contravention of the Banking Act.

The Bank of Mauritius reported the matter to the Police on 09 September 2016 for necessary action against the Statutory Bodies Mutual Aid Association Ltd.

Moreover, the Bank of Mauritius held meetings with the Chairperson of the Caretaker Committee and the Accountant of the company. The latter informed the Bank that the company has stopped taking deposits since August 2012. The Bank requested the company to provide the Bank with a plan showing the manner in which the company proposes to handle the matter.

Subsequently, in a letter dated 15 September 2016, the company stated that -

- (i) all deposits will be refunded back upon maturity;
- (ii) depositors requesting a refund before maturity dates will be paid back the deposit amount net of penalty/charges/fees as per clauses of the deposit agreements, and
- (iii) it will make use of its bank overdraft facilities.

The Bank of Mauritius is closely monitoring the situation in order to ensure that the interests of the depositors are safeguarded.

Madam Speaker, I am informed that the Chairperson of the Caretaker Committee of the Company has resigned and given the situation therein, I propose, pursuant to section 230 (a) of the Companies Act, to designate the company as a declared company in order to protect mainly the interests of creditors, including the depositors. In this respect, the Registrar of Companies will be initiating action to appoint an inspector to investigate the affairs of the company and submit a report for necessary action.

**Mr Uteem:** Thank you, Madam Speaker. I thank the hon. Minister of Finance and Economic Development for this information. May I know from the hon. Minister of Finance and Economic Development if he knows, as at now, what is the shortfall in that association between the amount it has to repay in deposit and the amount that is receivable from loans it makes to the Members?

**Mr Jugnauth:** In fact, I have requested for all the information and I don't have this information as at now, but of course, I suppose that the report will be communicated to my Ministry whereupon I can give the information to the House.

**Madam Speaker:** Yes, hon. Uteem!

**Mr Uteem:** Has the hon. Minister of Finance and Economic Development taken the matter up with the Governor of the Central Bank that an association could have, for so many years go on, accepted deposits from members of the public without the Bank of Mauritius knowing about it or doing anything about it and whether the Governor is going to come forward with proposals of how to increase the powers of the Central Bank to precisely prevent associations from breaching the Banking Act and collecting deposits from public?

**Mr Jugnauth:** Well, the House can rest assured that I have conveyed this concern to the Bank of Mauritius because, of course, it is for the Bank of Mauritius although we know that, in the past, there has been a communication – I mean we are talking about 2006 – from the Bank of Mauritius whereby they were told that they were not required to get a licence because they were borrowing money for on lending to their clients, but in the meantime, what they have done they have started to take deposits. So, I think it is for the regulator, rightly so, to be able to, from time and again, check and see whether they are not going beyond their ambit. Therefore I have expressed that concern. I have not personally talked to the Governor, but I have, through the Financial Secretary, expressed my concern to the Bank of Mauritius.

#### **PORT LOUIS SOUTH & PORT LOUIS CENTRAL – STATE LAND - LEASE**

**(No. B/1050) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the lease of State land for residential purposes in Constituency No. 2, Port Louis South and Port Louis Central, he will, for each of the years 2014, 2015 and 2016 respectively, state the

—

- (a) number of applications received therefor
- (b) number of leases awarded, indicating in each case the –
  - (i) name of the lessee thereof;
  - (ii) location thereof, and
  - (iii) extent thereof and
- (c) criteria for the award thereof.

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** Madam Speaker, I wish to inform the House that, at my Ministry, applications for State land lease are processed district wise and not constituency wise.



My Ministry issued a Press Communiqué on 16 December 2015 stipulating, *inter alia*, the following -

- (i) a new Policy Framework and Procedures to govern the allocation of State land has been approved by Government;
- (ii) application forms have been designed for specific types of lease, including building site lease;
- (iii) all applications for lease of State land made and received prior to this communiqué will not be considered, and
- (iv) fresh applications will have to be made on the appropriate approved application form.

The Press Communiqué, the Application Forms as well as a set of guidelines for applicants for the lease of State land were posted on my Ministry's website on the same day. The criteria for allocation of building site lease are also on the website.

From December 2015 to 24 November 2016, 276 applications for building site lease have been received for the Port Louis district.

252 applications have been processed out of which 249 incomplete applications were turned down. Three have been found to be in order and are still being processed.

For the Port Louis district, my objective is to regularise and relocate squatters and only for such cases, 255 building site leases have been granted and 28 are being processed out of which 10 for regularisation in "*situ*" and 18 for relocation.

With regard to part (b)(i)(iii) of the question, same is being compiled and will be placed in the Library of the National Assembly next week.

As regards part (c) of the question, the criteria for the award of leases for residential purposes, the hon. Member may wish to note that these criteria are already posted on the website of my Ministry. The beneficiaries should, *inter alia* -

- (i) not normally be a land owner;
- (ii) not be an owner of an ex-CHA Housing Unit or NHDC Housing Unit, and
- (iii) have a family income of not more than Rs7,500 per month.

**Mr Uteem:** Thank you, Madam Speaker. May I know from the hon. Vice-Prime Minister whether, as a criteria for eligibility, a person has to be in the Social Register that is being compiled by the Ministry of Social Integration and Economic Empowerment?

**Mr Soodhun:** Madam Speaker, I have just given a clear indication about the criteria.

**Madam Speaker:** Next question, hon. Uteem!

### **HARBOUR VIEW I & II COMPLEXES – LAND LEASE**

**(No. B/1051) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the Harbour View I and II complexes, in Port Louis, he will state if consideration will be given for the transfer of the State land on which the said complexes stand to the owners of the apartments thereof.

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** Madam Speaker, site Harbour View 1 is leased to “*Syndicat des copropriétaires*” of Harbour View 1 over an extent of 1A96P since 01 August 1996. The lease was renewed for three periods of ten years, the last period being from 01 August 2016 to expire on 31 July 2026 at a rental of Rs28,732.50 per annum.

Site Harbour View 2 is leased to “*Syndicat des copropriétaires*” of Harbour View 2 over an extent of 2A25P since 19 August 1991. The lease was renewed for two periods of ten years, the last period being from 01 January 2010 to expire on 31 December 2020 at a rental of Rs45,562.50 per annum.

Each inhabitant is the owner of his/her respective apartment which forms part of the *parties privatives* together with a *quote-part* in the *parties communes* through a “*Syndicat des copropriétaires*” which owns the leasehold right, the subject matter of the *parties communes* as per Article 664.3 of the Mauritian Civil Code.

According to Article 664.8 of the Mauritian Civil Code “*Les parties communes et les droits qui leur sont accessoires ne peuvent faire l’objet, séparément des parties privatives, d’une action en partage ni d’une licitation forcée.*”

Consequently, the land or the leasehold right cannot be subdivided and transferred to each inhabitant of the apartment individually.

As regards whether the land can be sold to the “*Syndicat des Copropriétaires*”, as the law stands to date this is not possible.

Under section 5 of the State Lands Act, a sale is allowed to person holding a building site lease over a portion of State land of an extent not exceeding 422 square metres or 10

Perches, other than *Pas Géométriques*, on which stands a residential unit, at the price of Rs2,000.

Given that the extent of the plots of land is 1A96 and 2A25 respectively, under the provision of section 5 of the State Lands Act, the sale of these two portions of State Land cannot be considered.

**Mr Uteem:** Madam Speaker, the hon. Vice-Prime Minister pointed out that for Harbour View I and Harbour View II, the lease has been more than 40 years old. Today, the inhabitants of these two Harbour Views are mostly old age pensioners. So, in the view that they are old age pensioners and getting a fixed income, would the Ministry consider sort of transferring the land on to the *Syndicat des Copropriétaires* and, at least, review the amount of rental that are paid by the two *syndicats*?

**Mr Soodhun:** Madam Speaker, it is the unique one in Mauritius that the rent per occupant is Rs41.72 and Rs25.00. I am seriously taking it into consideration and I would ask that a deep inquiry be made to see to it whether it is fair to ask people today to pay Rs41.00 for three bedrooms, one dining room, toilets and so on, which is very expensive. I think it is unfair to ask Rs2,500 per month to the low-cost housing.

**Mr Mahomed:** The hon. Vice-Prime Minister rightly quoted the State Land Act. Now, in 2006, the State Land Act was amended to allow the sale of ex-CHA and NHDC houses subsequently. Can a similar consideration be given in this case as well because laws are made and laws can be amended?

**Mr Soodhun:** I thank my good hon. friend for raising the issue, but I would like to explain to the House, if I am going to follow the request made - as the hon. Member mentions - give two *Perches* of land, how can I give two *Perches* of land to one owner. It is impossible! It is very difficult! Even these people will not agree with me if I give them two *Perches* of land. This is impossible!

**Mr Jhugroo:** Can the hon. Vice-Prime Minister inform the House how many owners of apartments are there in Harbour View I and Harbour View II and whether he considers reviewing the monthly rent?

**Mr Soodhun:** I already said that I am going to review the rent definitely because according to my information, it is true to say that there are also old age pensioners. But I can say there are people who were previously Permanent Secretary of Ministries and a lot of

businessmen also. So, I am going to carry out a deep inquiry on this matter and come forward with a solution.

**Madam Speaker:** Next question, hon. Uteem!

### **PUBLIC BEACHES – DE-PROCLAMATION**

**(No. B/1052) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the public beaches which have been de-proclaimed since January 2015 to date, he will state the –

- (a) location thereof;
- (b) extent thereof, and
- (c) reasons why the beach has been de-proclaimed in each case.

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):**  
Madam Speaker, since January 2015 to date, a total extent of 17 *arpents* 11 perches has been de-proclaimed at four public beaches as follows -

- an extent of 64 perches of Belle Mare Public Beach to regularise encroachment which was noted in 2012, put up by Belle Mare Plage Hotel (Constance Industries Ltd);
- an extent of six perches at Blue Bay Public Beach to regularise encroachment which dates back to 1997 caused by Blue Lagoon Hotel;
- an extent of 16 *arpents* 35 perches at Pomponette Public Beach in the context of the Integrated Plan for Tourism and Leisure Development at St. Felix. Government approved the de-proclamation of the public beach in 2003 and the proclamation of an extent of 15 *arpents* 74 perches at St. Felix in 2005 in line with the Integrated Plan, and
- seven perches, being two portions of an extent of 3.5 perches each, at Rivière des Galets Public Beach which have been granted as Industrial lease to Mauritius Telecom and which will be fenced as a restricted area to accommodate two manholes to house the interconnection of submarine cables.

Madam Speaker, however, I also wish to inform the House that since January 2015, an extent of 10 *arpents* 60 perches has been proclaimed as Public Beaches as follows –

S/N	Name	Extent (A)
1	Flic en Flacq (Reproclaimed)	1 Arpent
2	Part of Pointe des Lascars	1 A 35
3	Quatre Soeurs	2 A 59
4	Camp des Pêcheurs, GRSE	0 A 41
5	Part of P.G. Belle Mare	0 A 64
6	Bois des Amourettes (Portion 1)	0 A 34
7	Bois des Amourettes (Portion 2)	2 A 22
8	Grand Sable	0 A 34
9	La Cambuse	1 A 55
10	Part of Ruisseau Créole Village	0 A 15
	<b>TOTAL</b>	<b>10 A 60</b>

I wish to point out, Madam Speaker, that from year 2000 to mid-2005, an extent of 5 *arpents* 79 perches on eight public beaches has been de-proclaimed while for period 2005 to 2014, an extent of 22 *arpents* 24 perches on nine public beaches has been de-proclaimed.

**Mr Uteem:** The hon. Vice-Prime Minister just mentioned the public beaches that have been de-proclaimed. Does not he agree that since this new Government has come into place *le festival de la plage* is continuing *de plus belle*?

**Mr Soodhun:** *Zéro!*

*(Interruptions)*

Madam Speaker, *zéro!* If he does not understand, I'll give him this copy and he is going to read it at night because there is *zéro* !

**Mr Uteem:** The hon. Vice-Prime Minister mentioned that the beach in St. Félix has been de-proclaimed to allow construction of hotel. May I know from the hon. Vice-Prime Minister whether this part of the beach was not supposed to be part of the south heritage zone

and de-proclaiming that beach for the purpose of construction of hotel is in breach of the National Development Strategy?

**Mr Soodhun:** I think the hon. Member has to go back. I just mentioned it was a decision of the former Government whereas I, myself, have proclaimed 27 *arpents* of beaches.

**Madam Speaker** Next question, hon. Fowdar!

#### **AVASTIN DRUG - VICTIMS - COMPENSATION**

**(No. B/1053) Mr S. Fowdar (Third Member for Grand’Baie & Poudre d’Or)** asked the Minister of Health and Quality of Life whether, in regard to Avastin, he will state the number of patients who have been victims thereof and who have lost their eyesight, since 2010 to date, indicating if –

- (a) consideration will be given for the payment of compensation thereto, and
- (b) the use thereof has been banned in Mauritius.

**Mr Gayan:** Madam Speaker, I wish to inform the House that the number of patients who had complications arising out of the Avastin injection is four.

With regard to part (a) of the question, I am unable to reply as cases have been lodged by the four patients against my Ministry at the Supreme Court and the matter is *sub judice*.

As regards part (b) of the question, I wish to inform the House that the use of Avastin injection has not been banned in Mauritius.

**Mr Fowdar:** Can I ask the hon. Minister, on a humanitarian ground these people who have lost their eyesight innocently and in Government hospital, whether he will consider giving them some extra consideration in terms of pension or compensation?

**Mr Gayan:** Well, this happened in 2014 under the previous Government and I understand that the previous Government undertook to send all these four patients to India for further treatment in order to save their eyesight, but unfortunately, this did not happen and whatever treatment that could have been given then was given and all this was paid for by the State. So, now that they have gone to Court I think we have to await what happens in Court. But I must also say, just for the sake of completeness, that anybody having this kind of injection, signs a consent form in which the various complications that could arise are listed. So, I don’t know what will be the outcome in Court with the consent form, but as at present, I am unable to say any more because of the case pending in Court.

**Madam Speaker:** Hon. Dr. Joomaye!

**Dr. Joomaye:** I would like to know if the alternative drug to Avastin called Lucentis has been made available to the patients in Mauritius?

**Mr Gayan:** In fact, the patients who were under Avastin are being given an alternative. It is being provided in the hospitals in Mauritius. Avastin is a medication which is used primarily for breast cancer and it was also found to be effective for eye treatment. Out of more than 4,000 cases there were only four persons who got this kind of problem. I am advised that they were following the protocol, but this happened.

**Mr Baloomoody:** The hon. Minister just mentioned there are only four cases and, according to my information, those four cases are before the Supreme Court. Can I ask the hon. Minister, as a gesture of goodwill, if these four cases can be sent to the Mediation Division of the Supreme Court in order to settle the matter as soon as possible because these people are really in need and they need the money? So, if we can shorten the matter because otherwise it will take years and years at the Supreme Court.

**Mr Gayan:** Well, I am not the legal adviser of the Ministry, but I will certainly ask my colleague, the Attorney General, to look into that.

**Mr Jhugroo:** Can the hon. Minister inform the House whether Avastin is still being used in hospitals and whether we have any side effect by any patient going for this course?

**Madam Speaker:** But I think the hon. Minister has just replied to this question!

**Mr Gayan:** No, it is not. The use of Avastin has been suspended in the hospitals. It is a very good treatment, but we need to have some additional safeguards before going back to Avastin.

*(Interruptions)*

For breast cancer, not in the public hospitals. In the clinics I think it is.

*(Interruptions)*

**Madam Speaker:** Next question, hon. Fowdar!

## **BETAMAX LTD - TERMINATION OF CONTRACT**

**(No. B/1054) Mr S. Fowdar (Third Member for Grand’Baie & Poudre d’Or)** asked the Minister of Industry, Commerce and Consumer Protection whether, in regard to Betamax Ltd., he will state if Government has proposed any sum thereto as an amicable settlement for the termination of the contract thereof.

**Mr Gungah:** Madam Speaker, Government has never proposed any amicable settlement for the termination of the contract between the STC and Betamax Ltd.

**Madam Speaker:** Hon. Fowdar!

**Mr Fowdar:** Thank you, Madam Speaker. Can I ask the hon. Minister whether before revoking the contract there has been a study carried out and whether there was any legal advice from the SLO to revoke the contract and whether he is prepared to table those documents?

**Mr Gungah:** Madam Speaker, the case is under arbitration and I won’t be able to give any information to the hon. Member.

**Mr Uteem:** Madam Speaker, has the hon. Minister held consultation with the lawyers involved in the arbitration to assess the impact which two recent decisions will have on arbitration namely –

- (i) the statement by the hon. Minister himself that STC does not have to go through Public Procurement Act to award contracts, and
- (ii) the writing off of all charges against the various people arrested in the context of this Betamax case?

**Mr Gungah:** These are two different cases, Madam Speaker. One is in Mauritius and the arbitration case is being done through SIAC rules and, of course, we will be having meetings together with the Attorney General and the lawyers of the STC.

**Madam Speaker:** Hon. Fowdar!

**Mr Fowdar:** Thank you, Madam Speaker. I understand there has been no sum proposed for amicable settlement, but is it not in the interest of Government to propose something given the fact that they lost the case recently?

**Mr Gungah:** Madam Speaker, I must say that it is in the interest of the country that the decision was taken and, as at now, since we stopped the services of Betamax Ltd. the country has saved a minimum of Rs425 m. in terms of contracts of affreightment.



**Madam Speaker:** Hon. Osman Mahomed!

**Mr Mahomed:** Can the hon. Minister enlighten the House as to whether there was an exit clause in that contract onto which the STC or Government based itself?

**Mr Gungah:** Unfortunately, Madam Speaker, I can't reply to this because of the arbitration.

**Madam Speaker:** The Table has been advised that Parliamentary Questions B/1069, B/1088 and B/1090 have been withdrawn. Time is over!

## **MOTION**

### **SUSPENSION OF S.O. 10(2)**

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

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

*Question put and agreed to.*

## **STATEMENT BY MINISTER**

### **D'ARTOIS STREET, PORT LOUIS - EXPIRED MEDICINES CONSIGNMENT**

**The Minister of Health and Quality of Life (Mr A. Gayan):** Madam Speaker, with your permission, I wish to make this statement. Following a news item broadcast on a private radio station on Sunday 27 November 2016 and an article published in the Press about the expired medicines found by the side of the road at D'Artois Street, Port Louis, the Pharmacy Section of my Ministry conducted an enquiry on the same day.

On the same day the Police was contacted to collaborate to carry out the investigation. In the course of a visit carried out on site some 17 boxes with each box containing 100 flasks of expectorant paediatric 100ml were found lying by the side of the road. The consignment was taken by the Police and kept at the Police Station.

From the sample taken it was found that the batch of medicine was manufactured in 2009 with an expiry date of 2011. The investigation has also revealed that a tender was awarded to Anichem, a supplier, for the supply of 40,000 flasks on 17 June 2009 in relation to an award number DO/58/2008/2009.

It has been confirmed that the expired medicines do not emanate from the stock of medicines of the Ministry of Health and Quality of Life. It must be highlighted that the batch number and the expiry date of the product taken by the Police and found at the D'Artois Street are not the same as that supplied to the Ministry by that company.

Police informed my Pharmacy Section that on 06 November 2016 a consignment of 14 cartons of the same product had been found by the side of the road at D'Artois Street, Port Louis.

I have also received a letter from Anichem Company under the signature of Mr Nawaz Dauhoo informing me that the carton boxes belong to his company and that they were left outside to be picked by the Municipal waste carrier.

An inspection team led by the Deputy Director of the Pharmaceutical Service is carrying out an investigation into the whole matter together with the Police.

Thank you.

## **PUBLIC BILLS**

### *First Reading*

*On motion made and seconded the following Bills were read a first time –*

- (i) The Prevention of Terrorism (Amendment) Bill (No. XXV of 2016);
- (ii) The Constitution (Amendment) Bill (No. XXVI of 2016);
- (iii) The Police (Membership of Trade Union) Bill (No. XXVII of 2016);
- (iv) The Social Integration and Empowerment Bill (No. XXVIII of 2016)

### *Second Reading*

## **THE LIMITED LIABILITY PARTNERSHIPS BILL**

**(No. XXIII of 2016)**

*Order for Second Reading read.*

**The Minister of Finance and Economic Development (Mr P. Jugnauth):** Madam Speaker, in the Budget Speech one of the ten strategies to usher in a new era of development is about entering a new economic cycle. And one leg of that strategy is to give a new thrust to the development of our financial services sector so that it can branch out, reach out to new markets and create more wealth and jobs.

To this end, I announced in the Budget Speech the introduction of a Limited Liability Partnership Bill (LLP). Madam Speaker, this is yet another budget measure which is being implemented.

A limited liability partnership is a business structure that operates similar to a partnership, but with some elements of companies. Simply put, the LLP is a body corporate which has legal personality separate from that of its members and which combines features of both companies and partnerships. It will provide the flexibility of a partnership (hence allowing the owners or members thereof to adopt whatever form of internal organisation preferred), whilst simultaneously limiting the owners' liability with respect to the LLP to their respective stakes in the LLP itself.

The core features of an LLP are that each partner in the business has limited liability as follows –

- (i) a partner is not liable for the actions of the other partners, but is accountable for his own wrongful act or omission. Thus, individual partners are not protected from legal liability resulting from their own personal acts;
- (ii) the partners are liable only to the extent of their respective contributions to the LLP itself. In other words, partners are not liable for the debt of the LLP beyond the amount they have agreed to contribute, and
- (iii) each partner's role in the decision-making process of the business is defined in accordance with a partnership agreement.

Madam Speaker, these three core features are reflected in the Bill which I am presenting today. The Bill has been finalised after wide and deep consultations with various stakeholders, namely the Ministry of Financial Services, the Financial Services Commission, the Registrar of Companies, the Financial Reporting Council and the industry professionals.

Such LLP legislations exist worldwide in major jurisdictions such as Singapore, United Kingdom, United States of America, Dubai, Jersey, Japan, India and Canada, and we have benefited from their experience in finalising this Bill. In fact, I must also add that this Bill had been worked out by hon. Xavier-Luc Duval, who has made my task much easier because I just had to have a look at it. But there was nothing much to change in the Bill.

Besides reflecting the three core features of an LLP, which I have just explained, this Bill provides for an LLP to have perpetual succession. Any change in the partners shall not

affect the existence, rights or liabilities of the limited liability partnership, unless otherwise specified in the partnership agreement.

The Bill will apply to foreign as well as local businesses. It allows an LLP to hold a Global Business Licence and caters for the global legal advisory services which were introduced in the Finance (Miscellaneous Provisions) Act 2016.

- I shall now briefly explain the main features of the Limited Liability Partnerships Bill –

Part I of the Bill provides that the Bill shall apply to professionals, global legal services and consultancy services or such other activities that may be prescribed. The provisions of the “*Code Civil Mauricien*” and “*Code de Commerce*”, which apply to “*Sociétés*” and also to partnerships, shall not apply to LLPs and neither shall the LLP Act apply to “*Sociétés*”.

- Under Part II, it is stipulated that the Registrar of Companies shall be the Registrar of the LLPs. The Registrar shall maintain detailed records on every LLP, as set out in clause 25 of the Bill, and may require an LLP or any of its partners or its manager to produce any book, record or other document and to furnish any information relating to its accounting records.
- The Registrar shall have powers of inspection and to issue practice directives regarding the form of notices and the procedures to be followed in registering documents.
- In Part III, it is provided that LLPs shall be a body corporate and shall have legal personality separate from that of its partners. Every LLP shall have a partnership agreement and shall have perpetual succession unless specified in the partnership agreement. LLPs shall consist of two or more persons associated to carry on a lawful business. Any individual, body corporate or unincorporated body formed or registered with or without liability in Mauritius or overseas, including any *société* or partnership or any other body of persons may be a partner in an LLP. A partner shall not be liable to pay for the debts of the LLP beyond the amount he has agreed to contribute.

- Part IV provides for the manner in which a foreign LLP can be registered in Mauritius as well as for the use of the words LLP. No LLP can use the words “Mauritius”, “Authority”, “Corporation”, “Government”, “Municipal”, “Chamber of Commerce”, “Republic”, etc., without the permission of the Minister.
- Under Part V, a body corporate may be converted into an LLP if it complies with the requirements of the LLP Act.
- Part VI covers the manner in which a foreign LLP may apply to the Registrar to be registered as and continue as a foreign limited liability partnership in Mauritius.
- Part VII deals with the management, administration and records keeping of LLP. Every LLP shall have at least one manager who shall be qualified to be a Company Secretary. Any person who is disqualified as a manager under the Companies Act shall not act as manager of an LLP. Except for LLPs holding a Global Business Licence, LLPs with turnover of less than Rs50 m. shall file with the Registrar a financial summary showing its financial position, while LLPs with turnover of Rs50 m. or more shall file audited financial statements. LLPs shall have a registered office in Mauritius where all communications and notices may be addressed.
- Part VIII deals with the removal and restoration to register when an LLP has ceased to carry on business.
- Provisions are also made under Part IX for the manner in which an LLP shall be dissolved. The provisions of the Insolvency Act shall apply to an LLP with such modifications, adaptations and exceptions as may be necessary to bring them in conformity to this Act.
- Part X covers -
  - (i) the immunity of the Registrar and the penalties in case of non-compliance with this Act;
  - (ii) the powers of the Minister to make regulations, and
  - (iii) the jurisdictions to try an offence under this Act.

Madam Speaker, an LLP shall be taxed similar to a Limited Partnership and a ‘*Société*’. The income derived by an LLP will not be subject to income tax but, instead, its partners will be taxed on their respective share of income that they are entitled from that partnership, except those partners who are not tax residents in Mauritius. An LLP holding a GBC1 licence from the FSC may opt to be taxed as if it is a company. Consequential amendments to the definition of “*Société*” are being proposed to the Income Tax Act 1995, accordingly.

The Limited Liability Partnerships Bill, once voted, shall come into operation on a date to be fixed by proclamation. Provisions are also being made for the coming into operation of different provisions of the Bill on different dates.

In addition to Companies, Trusts, Partnership, *Société* and Limited Partnerships which our laws already provide for, Limited Liability Partnerships will be another vehicle being made available for doing businesses in Mauritius.

Madam Speaker, I now commend the Limited Liability Partnerships Bill to the House.

**Mr Bodha rose and seconded**

**Madam Speaker:** I suspend the sitting for half an hour.

*At 4.43 p.m. the sitting was suspended.*

*On resuming at 5.15 p.m. with the Deputy Speaker in Chair.*

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

**Mr R. Uteem (First Member for Port Louis South & Port Louis Central):** Mr Deputy Speaker, Sir, today we are creating a new legal entity, the Limited Liability Partnership. On this side of the House, we welcome this new addition to the existing array of vehicles available in Mauritius for people to organise their business. With this additional vehicle, the attractiveness of Mauritius as a financial centre can only be enhanced.

Mr Deputy Speaker, Sir, the Limited Liability Partnership Bill was first announced by hon. Xavier-Luc Duval, then Minister of Finance and Economic Development back in 2013. And the Financial Services Commission even came up with the concept paper of Limited Liability Partnership in March 2013. I had the privilege of interacting with the Legal Department of the Financial Services Commission back in 2013 when they were preparing the Bill, and I am glad that, three years later, this Bill is finally before this House.

Mr Deputy Speaker, Sir, the origin of the Limited Liability Partnership can be traced back in the United States in the early 1990s after there was a series of prosecutions against accounting firms and law firms following the collapse of various savings and loans organisations. In traditional partnership, each partner is liable without limit for all the debts of a partnership. So, if the partnership debts cannot be paid out of the partnership assets, the partners will be required to pay them out of their own personal property. In other words, in traditional partnership, the liability of a partner is unlimited.

In traditional partnership, each partner has joint and several liabilities. This effectively means that an aggrieved person may sue one or more of the partners separately or all of them together at his option. In other words, Mr Deputy Speaker, Sir, if one partner is negligent, all his co-partners can be sued by the person who is aggrieved as a result of that negligence. So, this presented considerable risks to partners, including partners who were competent and doing their work diligently. With the outbreak of litigation, Audit firms especially started lobbying Governments to introduce Limited Liability Partnership Bills to shield partners from eventual claims. As the work undertaken by professional firms became increasingly international, the risk of being sued substantially increased. This led to global firm looking to be established in jurisdictions which would limit their liabilities.

The United Kingdom initially resisted the lobby from global professional firms which were engaged in, what I call, jurisdiction shopping. But after Jersey introduced its Limited Liability Partnership in 1997, the fear of seeing global accounting and audit firms migrating to Jersey, provided sufficient incentives for the United Kingdom to enact its very own Limited Liability Partnership Act back in 2000.

Mr Deputy Speaker, Sir, what is a Limited Liability Partnership? It is a hybrid which contains features of companies and features of partnership. Like a company, a Limited Liability Partnership has separate legal personality. The Limited Liability Partnership is an entity separate and distinct from its partners which means that it can sue and be sued in its own personal name. Like a company limited by shares, liability of a partner in a Limited Liability Partnership is limited to what the partner has agreed to contribute as set out in the partnership agreement among the partners. This is probably the most important feature of the Limited Liability Partnership. But Limited Liability Partnership also retains the flexibility offered in a partnership; in particular, they can arrange their rights and obligations, their share of profits in the partnership agreement. And unlike a company which has to file its constitution with the Registrar of Companies, in the case of a Limited Liability Partnership,

the partners do not have to file their partnership agreement. Therefore, there is an additional element of confidentiality which is very important, especially when we have sensitive information as to sharing of profits among the partners.

A Limited Liability Partnership, Mr Deputy Speaker, Sir, must also be distinguished from a Limited Partnership. As the hon. Members may know, back in 2012 there was a Limited Partnership Act enacted in this House. In the case of a Limited Partnership, there are two types of partners. We have a general partner who administers, who manages the affairs of the limited partnership, and who has unlimited liability. He can be sued personally for all the debts of the limited partnership. Then, you have a second category of partner which is a limited partner who invests capital, benefits from the profit, but does not share the risks and does not participate in the management of the partnership. In contrast, in the case of a Limited Liability Partnership, all the partners are equal in that all of them have limited liability and all of them can participate in the management of the partnership. So, there is no distinction between general partner and limited partner in the case of a limited liability partnership.

Mr Deputy Speaker, Sir, it is very important to note that in a case of a Limited Liability Partnership, all the liabilities of the partners are limited. There have been a lot of criticisms in many jurisdictions, including England when they tried to introduce Limited Liability Partnership, namely, how do we protect clients, how do we protect consumers. Previously, they could sue all partners for unlimited liability, now they can only sue the partnership for a certain limited liability. There were fears, Mr Deputy Speaker, Sir, that the quality of work would be eroded. There were fears that the partners would be less thorough, less careful and less professional. In order to mitigate this risk, various jurisdictions have resorted to various measures to safeguard the interests of clients dealing with Limited Liability Partnership.

I am glad to note that most of these features are now in the Limited Liability Partnerships Bill before us today and, in particular, in my opinion, the most important safeguard is provided in Section 13 Subsection (5) of the Bill which provides that a partner or an officer of a Limited Liability Partnership remains liable personally for any liability arising out of his own wrongful act or omission. So, in other words, the liability of a negligent partner remains unlimited. He still has unlimited liability for all wrongdoing that he does, but he has a limited liability for wrongdoing done by his co-partners. So, for example, in a firm of Auditors, if the signing partner has been negligent and has given a clean opinion when he



should not have, that partner can be sued personally for unlimited amount whereas his other partners in the limited liability partnership will only be sued up to the amount that they agreed in the partnership agreement to contribute to that limited liability partnership.

Mr Deputy Speaker, with your permission, I would like to make a few comments on specific provisions of the Bill. I do apologise to the House if I would sound technical, but it is unfortunate that this Bill has not been circulated for comments beforehand. Like in the case of the Co-operatives Bill which was debated last week, there is a broad-based consensus in this House in favour of limited liability partnership and had this Bill been circulated in advance, I am sure that stakeholders would have been able to contribute and we would have been able to get some of the answers to the point that I am about to raise. I pause here to congratulate the hon. Attorney-General, who is not present, for having circulated, for example, the draft Police and Criminal Evidence Bill (PACE) which tomorrow will be debated by the members of the Mauritius Bar Association. This is the type of initiatives that I expect from the Government. If there are Bills which are consensual then these should be circulated, not just the preparation Memorandum, but the Bill, itself, actually circulated for comments before it comes to the House.

Mr Deputy Speaker, my first comment relates to Sections 3 and 22 of the Bill. Section 3 of the Bill deals with the application of the Bill and section 22 deals with who can apply to set up a limited liability partnership. Section 3 provides –

- “(1) This Act shall apply to a person –
- (a) offering professional or consultancy services;
- (b) holding a Global Legal Advisory Services licence, or
- (c) engaging in such other activities as may be prescribed.”

With due respect, Mr Deputy Speaker, Sir, I don't think, by any stretch of imagination, we can state that this limited liability partnership will apply to all professionals providing consultancy services. Some of these professionals will be set up as sole practitioners; some of these professionals will be set up as companies. They will be regulated by their own legislation. So, I think that we have to make a distinction as to the application of the law and who can apply to form a limited liability partnership.

So, in my humble opinion, Mr Deputy Speaker, Sir, what we should have done in Section 3 Subsection (1) is to state that this Act shall apply to any limited liability partnership

set up by a person offering professional or consultancy services. So then, it is clear that this Act does not apply to all professionals or all persons providing consultancy services, it should be to only limited liability partnership set up by these people.

In Section 22, and I'll quote –

“Subject to this Act, any 2 or more persons associated for carrying on a lawful business may apply for the registration of a limited liability partnership under this Act.”

There, again, instead of “lawful business”, we should probably refer specifically to Section 3, although in this case, they already say “subject to this Act”, but I think that there is a confusion that may arise because, at the one hand, in section 3, we are saying that it applies to only a specific type of limited liability partnership and then in section 22 we say any person carrying out lawful business may apply for limited liability partnership.

My second comment, Mr Deputy Speaker, Sir, relates to Section 16 Subsection (2) of the Act which deals with what happens to the share of a partner when he ceases to be a partner. There are many ways in which a partner can cease to be a partner. For example, he can retire, he can resign or he can pass away. So, what happens to his shares? Rightly so, Section 16(2), first of all, provides it is the partnership agreement that will deal as to what happen to the shares. But, in default of any provisions in the partnership agreement, in Section 16 Subsection (2), provision is made that the retiring partner or his representative – in case he has passed away – gets back his capital contribution and his share of accumulated profit.

I have absolutely no qualm with the general principle, but let us see the practical consequences. What happens if, at that time a partner passes away or at that time the partner decides to retire, there is insufficient cash in the limited liability partnership? What happens if, for example, there is accumulated loss? Should the partner, the outgoing partner still be paid all his capital contribution and his share of profit? If you take an extreme example, if several partners retire and ask for their capital contribution, this may resolve in the limited liability partnership actually becoming insolvent because they have to go and pay all the other partners unlike the companies. For example, under the Companies Act, there is a specific provision that whenever you buy back your shares; you have to satisfy the solvency test, the company must satisfy the solvency test, it must be able to pay its debt when there is due. In this limited liability partnership, we don't have a similar provision. Nowhere does it say that

you can only make a distribution, you can only pay capital out of the limited liability partnership assets, if you satisfy the solvency test.

So, in my humble opinion, Mr Deputy Speaker, Sir, I think that we will have to provide an amendment to the effect that if the limited liability partnership is unable to pay those capital contributions because that will result in it becoming insolvent; in that situation, the retiring partners or their representative will rank as unsecured creditors of the limited liability partnership. There is a similar provision in the Companies Act to that effect. Whenever the company has to redeem shares and the company does not satisfy the solvency test, the shareholder then is ranked as unsecured creditor. So, I think we should do the same thing here for limited liability partnership.

Next, I would like to comment on Part V - Conversion to Limited Liability Partnership and, in particular, Section 27 of the Bill. We are, of course, Mr Deputy Speaker, Sir, in favour of the general principle of allowing existing *société*, partnership, companies to be converted into limited liability partnership. In fact, it will defeat the whole purpose of having this new entity, this new LLP if we do not allow existing vehicles to convert into LLP.

However, Mr Deputy Speaker, Sir, in my opinion, not enough thought has been put into the consequences of conversion. We are, here, talking about two distinct separate legal entities. For example, a company, governed by the Companies Act, has its own rules and regulations; a partnership is governed by the Limited Partnership Act or the Limited Liability Partnerships. So, many questions arise in connection with such a conversion. For example, what happens to the employees of the existing entity after conversion? Do they have to negotiate and enter into a new contract? Does their contract terminate? Is there a continuous employment because we are talking about two separate legal entities? In England, for example, there is a Transfer of the Undertakings Act which caters for this sort of situation. What happens to the creditors? Do we need to get the consent of secured creditors to transfer charged properties of a company into a limited liability partnership? Will the existing contracts of the entity be novated in favour of the LLP? Do we need the consent of the parties to the contract for such novation? If the entity wishing to convert had accumulated loss, what happens to these losses? Do they get carried forward automatically to the LLP? Again, there is absolutely no proposed amendment to the Income Tax Act as to the tax consequences of conversion.

If the entity wishing to convert has immovable property registered with the Registrar General, the Conservator of Mortgages, and these properties now are transferred into the limited liability partnership, will there be registration duty? Will there be land transfer tax? Again, no amendment is being proposed to the Registration Duty Act or the Land Transfer Act. What happens if all shareholders of the company wishing to convert do not consent, not all of them consent to the conversion? What happens to those shareholders who do not consent? Do we have to buy their shares or are they forced to convert their shareholding into interest in the partnership?

Mr Deputy Speaker, Sir, as you can see, there are so many unanswered questions that arise out of converting one legal entity into a limited liability partnership. In England, for example, there are extensive legislative provisions and regulations to cater precisely for the consequence of conversion from existing partnership to limited liability partnership. In India, there is a whole schedule dealing with the conversion of a private company into a limited liability partnership. In particular, in India, a company may apply to convert into a limited liability partnership if and only if –

“(a) there is no security interest in its assets subsisting or in force at the time of the application for conversion, and

(b) the partners of the limited liability partnership to which it converts comprise of all the shareholders of the company and no one else.”

Again, it is very unfortunate that we don't have equivalent provision in this Bill which caters for the consequences both intended and unintended of conversion from an existing entity into a limited liability partnership.

Under section 68 of the Bill, Mr Deputy Speaker, Sir, the Minister does have the power to make such regulations as he thinks fit for the purpose of this Act. However, in my opinion, we should amend section 27 to provide that the conversion will only be permitted once the appropriate rules have been prescribed and appropriate regulations passed and such regulations should only be passed after full consultation with all stakeholders. Alternatively, the Minister can choose not to proclaim this section 27 until he has come forward with the appropriate regulation which will cater for the consequences of a conversion of an existing entity into a limited liability partnership.

Turning to part 8 of the Bill - Removal from and Restoration to Register. Mr Deputy Speaker, Sir, this section mirrors to a large extent the provisions of the Companies Act when

it comes to removal of companies from the Register of the Registrar of Companies. However, there is one important section of the Companies Act which has been omitted in this Bill and this relates to the property of limited liability partnership which is removed from the register. What happens to the property of a limited liability partnership when it is removed from the register? In the case of a company, the law as amended a few weeks ago by the Finance (Miscellaneous Provisions) Act of 2016, makes it clear. If there are properties remaining, if it is cash, the Registrar of Companies can go to Court and ask that the cash be transferred into the company's special deposit account. If it is non-cash assets, for example immovable property, the Conservator of Vacant Estates can go to Court and apply for an order to vest all the non-cash property into the Consolidated Fund.

However, Mr Deputy Speaker, Sir, with respect to limited partnership, we don't have a similar provision that is in the Companies Act and, therefore, it is unclear what would happen to the assets of a limited liability partnership which is removed from the register. This is even more important, Mr Deputy Speaker, Sir, as section 46 (2) of the Bill provides -

“(2) Where the name of a limited liability partnership has been removed from the register, the limited liability partnership, its partners and officers shall not –

(a) carry on any business or in any way deal with the assets of the limited liability partnership;”

So, what would happen to these assets? The limited partners cannot deal with these assets and there is no provision as to the vesting of those assets into the Consolidated Funds or otherwise.

Therefore, in my opinion, Mr Deputy Speaker, Sir, we need to amend section 46 of the Bill to reflect the provisions of the Companies Act when it comes to dealing with property of a limited liability partnership which has been removed from the register.

My next comment is in relation to section 54 of the Bill - Distribution of Assets on Dissolution of Limited Liability Partnership. Section 54 provides that the property of a limited liability partnership is to be applied first to repay the creditors other than the partners. Fair enough! Creditors get paid first before partners get paid. However, what creditors are we talking about here? Do we have a list of preferential claims? Do we have a priority of creditors? Do we have a ranking as to which creditor will rank ahead of each other? If we look at the Insolvency Act, it does cater for payment of different types of creditors in

accordance with a defined waterfall schedule. But, under the Insolvency Act partnership is defined as and I quote –

“partnership” means civil or commercial partnership, a “*société*” not registered under an enactment or a “*société de fait*”;

Under the Insolvency Act, as the partnership is currently defined, there are no provisions relating to limited liability partnership. So, in my humble opinion, Mr Deputy Speaker, Sir, either we amend the definition of partnership in the Insolvency Act to include limited liability partnership or we amend this Bill to cater for the priority of creditors upon dissolution of limited liability partnership. But, either way, we need to remove any uncertainty as to how assets of limited liability partnership should be distributed upon dissolution among the various creditors.

Mr Deputy Speaker, Sir, my final comment relates to the clawback provision in section 53 of this Bill. You will recall, Mr Deputy Speaker, Sir, earlier I mentioned that different countries have resorted to different measures to safeguard the interest of creditors and clients dealing with limited liability partnership. One of the measures taken in other jurisdictions is to allow a liquidator of a limited liability partnership to apply to Court to recover property withdrawn by a partner at a time when he knew or had reasonable grounds for believing that the LLP was unable to pay its debt. This is a very important provision meant to protect creditors of limited liability partnership. So, if you are a partner and you know that the partnership is insolvent, you know that the partnership is not able to pay its debt when it is due, if you withdraw property from that partnership at that time within a period of two years, a liquidator can ask a Court to ask you, the partner, to return that property if you knew or ought to have known that the limited liability partnership was unable to pay its debt.

Unfortunately, the clawback provision in section 53 of the Bill is worded differently and is only applicable where the partner has contravened a provision of the Act. But, nowhere in this Bill, Mr Deputy Speaker, Sir, does it state that a partner cannot withdraw property from the limited liability partnership if it is unable to pay its debt.

Unlike in case of companies, where you can only make a distribution, you can only take money out, if you satisfy the solvency test for Limited Liability Partnerships, there is absolutely no restriction as to who can withdraw money from the partnership and how much and under what circumstances. It is all left to the partners in the partnership agreements to

decide among themselves how they are going to distribute the assets of the partnership. So, you can well have a situation where you have a limited partner who has taken money at the time where the partnership was unable to pay its debt, but he did not breach any provisions of the Limited Liability Partnership Act. The liquidator will not be able to go to court and ask him to bring back that money fraudulently taken from the partnership because he did not act in contravention of the Act. So, I don't know if this is the intended consequence of section 53. If it is, then you will hardly have any situation where a liquidator would be able to go to court and show to the court that the partner has acted in contravention of the Limited Liability Partnerships Act. So, in my humble opinion, Mr Deputy Speaker, Sir, we need to amend the provision of section 53 to specifically provide that if a partner has withdrawn money at the time where he knew or ought to have known that the company is unable to pay its debt, then that property can be recovered from that partner.

Mr Deputy Speaker, Sir, I have always maintained that the future of our financial sector depends on product diversification and market diversification. Limited Liability Partnerships is a useful addition to the array of legal vehicle already available for both domestic and offshore using those vehicles including companies, limited partnership, protected self-companies, collective investment scheme, foundation and trust, to name a few. But coming up with only the product is not sufficient. We need to be able to market those products and, therefore, the support of Government is essential to give a new boost to the global business sector.

Mr Deputy Speaker, Sir, I would like to think that the fact that this Bill is being introduced by the hon. Minister of Finance and Economic Development instead of the Minister of Financial Services, Good Governance and Institutional Reforms is a strong signal that the hon. Minister of Finance and Economic Development is prepared to put his weight behind the global business sector. I hope that this initiative will be followed by fiscal and other incentives to boost the sector. A sector that has consistently posted a double-digit growth for the past decade, a sector which is a major employer of graduates and white-collar jobs, but also a sector which significantly contributes to business tourism and generate income for banks, accountants and lawyers.

Thank you.

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

(5.44 p.m.)

**The Minister of Financial Services, Good Governance and Institutional Reforms**

**(Mr S. Bhadain):** Mr Deputy Speaker, Sir, at the very outset, I would like to thank the hon. Minister of Finance and Economic Development for the timely introduction of the Limited Liability Partnerships Bill to this House.

This Bill, Mr Deputy Speaker, Sir, forms part of Government's integrated vision to develop Mauritius as an international financial centre of substance and repute. A number of initiatives are now in place. I have just heard hon. Uteem and there are a number of initiatives that are already in place to develop the Mauritius IFC –

- (i) our main existing double taxation treaties have been revised in line with best international practices while, at the same time, protecting the interests of existing operators which were previously relying predominantly on our network of treaties;
- (ii) investors can now avail themselves of a clean platform which has been introduced by Government through amendments to our existing legal frameworks, and
- (iii) new segments and product offerings have been introduced to diversify a way from the traditional treaty centric approach.

Of course, again just listening to hon. Uteem, I mean in the Finance Act, the budget has come up with so many measures and tax incentives. We passed the law on captive insurance last year. Now, in the budget, you will have investment banking which will be possible in Mauritius. Asset management, fund management, Global Legal Advisory Services with global law firms setting up in Mauritius with the new incentives provided for in the Budget. Of course, overseas family officers for high net worth individuals among so many other measures which have been implemented. The regulations have also been made with regard to these new products and offerings.

This Bill, Mr Deputy Speaker, Sir, is an essential enabler for Mauritius to achieve the broader vision set by Government to upscale our offerings and bring us at par with other leading international financial centres to meet the expectations of global investors. In this regard, the Limited Liability Partnerships Bill was an absolute necessity. With this Bill, the landscape for investors will change. Leading Global Law Firms Investment Banks and Fund Advisory practices will now have the opportunity to operate their desired structures in our



jurisdiction. We have engaged with them and asked them what is it that they require to set up operations in Mauritius and recruit young professionals and one of the fundamental responses had always been that they need to operate through the right structure.

Mr Deputy Speaker, Sir, several competing jurisdictions including Jersey, Hong Kong, Singapore, Dubai, Guernsey have already introduced their versions of the Limited Liability Partnerships as a means of structuring business entities. The most commonly benchmark jurisdiction for LLPs as stated by hon. Uteem is indeed UK and the USA. In addition to providing a legal framework for new operators in the new business segments to set up LLP structures in Mauritius, the Bill will, of course, benefit the existing global business sector. Category 1 Global Business Companies will have an additional flexible option to structure as an LLP, which requires much less formality than a company and provides much more flexibility. Again, I have been listening to hon. Uteem, and a lot of the qualms that he is mentioning which is basically a comparison of procedures which are in the Companies Act and then applying them to the context of a Limited Liability Partnership, the simple answer to that is Limited Liability Partnership offers flexibility and this is one of the advantages. This is why you don't have the rigidity that you would have in the Companies Act. I will come to the specific sections later on.

In fact, Mr Deputy Speaker, Sir, as was the case with the introduction of the Captive Insurance Act, the LLP Bill will create more revenue streams for existing management companies. Clause 38 of the Bill states –

“Notwithstanding subsection (1), the manager of a limited liability partnership holding a category 1 Global Business Licence shall be a corporation holding a management licence referred to in section 77 of the Financial Services Act.”

So, management companies will now be allowed to act as manager of these LPPs. Partners will now be able to take advantage of the protection afforded by the Bill in the form of limited liability as well as taxation benefits afforded to partnership businesses and the LLP structure. LLPs as vehicles are widely used by international law firms, accountancy and auditing firms as well as professional corporate service providers. In fact, the hon. Minister of Finance and Economic Development has gone one step further. The Bill is not limited to service providers only, but can also extend to partners engaging in such other activities as may be prescribed. This is set out in clause 3(1) (c) of the Bill. Again, I heard hon. Uteem mentioning that there is an issue with the application of the Bill under clause 3 where it is

stated that it relates to all professionals. But with great respect to hon. Uteem, I very much believe that this is a pedantic point which does not need any amendment because when you are saying all professionals, of course, it will apply to all professionals who are setting up LLPs and you don't need to go and put it in the law to say that it is only professionals who are setting up LLPs.

So, once again, Mr Deputy Speaker, Sir, Government is opening up our economy not only for financial services, but also for international investors in other sectors to structure their businesses in Mauritius. I would like here, at this stage, to draw a parallel, Mr Deputy Speaker, Sir, between the existing Limited Partnerships Act, which was mentioned by hon. Uteem and the Proposed Limited Liability Partnerships Bill. Currently, the limited partnership vehicle provides for a partnership which has two types of partners: a general partner and a limited partner.

The general partner manages the operation of the limited partnership and is personally responsible for the liabilities of the limited partnership whereas the limited partner is not allowed to participate in the conduct or management of the business of the limited partnership and cannot transact, cannot sign or execute documents for or on behalf of the limited partnership.

With the introduction of this Bill, all partners can operate in an equal manner. Part III of the Bill provides for the setting up of structures where all partners are eligible to limited liability except, of course, for cases where the court has determined that there has been a contravention to the Act. Under the Limited Liability Partnership, there is only one class of partner, and all partners are allowed to be involved in the management of the LLP unlike the case for existing limited partnerships. Now, partners are also not liable for the negligence or malpractice claims made against other partners, that is, the individual partners are not held personally or individually responsible for any debt or obligation of the LLP as an entity.

Mr Deputy Speaker, Sir, while limited partnerships under the prevailing law were operated as pass-through entities - because this is what we had in the system before; money flowing through Mauritius and then exit in Mauritius - and were primarily acting as instruments for private equity and funds which were passing through Mauritius, this did not necessarily allow us, as a country, to create tangible job opportunities for our young professionals locally. While limited partnerships tend to be more holding structures, now, with the LLP structure introduced by this Bill, a different landscape will emerge, focusing on

structures where actual services will be offered from Mauritius in our newly created platform, thus allowing for not only the creation of employment opportunities, but also job enrichment, because people who have been working in these management companies for 10-15 years, doing merely administrative work, can now move up to the value-added ladder and do even more interesting things. So, job enrichment for existing professionals who were working in local management companies.

Mr Deputy Speaker, Sir, Part II of the Bill provides an important safeguard, whereby the Registrar of Companies is empowered to be the Registrar of LLPs, with the powers to inspect and issue practice directions. Again, I would like to stress that a lot of the proposed amendments of hon. Uteem is not applicable because you have the safeguard in the law. The Registrar of Companies will have the powers to inspect and issue practice directions. This is also in line with international best practice.

Mr Deputy Speaker, Sir, with regard to Limited Liability Protection, clause 10 of the Bill provides for one of the most salient features of LLPs, which is, of course, the principle of separate legal personality. The LLP will be a body corporate with its own legal personality, which is able to enter into any commercial arrangement. Its existence as a separate person from its members, unlike a traditional partnership, is key to the separation of individual liability of the LLP. Partners are protected from the risk of carelessness or negligence of a colleague. This safeguard is spelt out in clause 13 of the Bill, where a partner is not liable to pay the debts of the LLP beyond the amount he has agreed to contribute to the LLP. An obligation of an LLP, whether arising in contract or in tort or otherwise, shall be solely the obligation of that entity, the LLP.

Mr Deputy Speaker, Sir, the power of partners to bind LLP is, of course, set out in clause 14 of the Bill. The liability of individual partners is also protected, as the doing of a partner with a third party would not bind them, which has been the case with existing partnerships. So, in case that particular partner did not have the authority to contract for the LLP - and there are so many cases in court, where you have one partner who has decided to go on a frolic of his own and signed a document or entered into some kind of arrangement commercially, but basically with the current law that normally binds the other partners in the partnership, but not in this case. In the instance that an LLP is sued or encounters financial difficulty, the personal liability of all partners is limited to the amount he has agreed to contribute to the LLP. And this is again one of the reasons as to why, very humbly, I do not agree with the point of hon. Uteem as to the amendments which are required and which he

mentioned under section 54, because it is going to defeat the whole purpose of having this flexibility in the law and the whole concept of having an LLP. Again, while limiting the liability of the partners is important – again, another point raised by my friend, hon. Uteem – it is even more important to protect the interests of all stakeholders and third parties who are dealing with those LLPs. So, the answer in clause 11 of the Bill, which deals with validity of actions, provides that third parties are protected against invalidity of *bona fide* transactions.

The LLP Bill also provides for suitability to international investors and service providers. As an example to attract global law firms to set up in Mauritius, we have already introduced a new global legal advisory services licence, which is now being delivered by the FSC, and the relevant amendments were made to the Law Practitioners Act and also to the Financial Services Act through the Finance Act. We all know that global law firms traditionally prefer to use the LLP structure for their operations. This is the case in most developed markets, including the USA and the UK, where our primary targets are.

In addition to providing for the incorporation of LLP structures in Mauritius, clause 28 of the Bill, Application for registration and continuation of foreign limited liability partnership, allows for the registration and continuation of foreign incorporated limited liability partnerships in Mauritius. While incorporation is not necessary, such foreign LLPs will, however, have to register in Mauritius and will be allowed to operate. This, therefore, provides for added flexibility and ease of doing business in our international financial centre.

Similarly, Mr Deputy Speaker, Sir, clause 31 of the Bill, Transfer of registration, also allows for domestically incorporated LLPs to be registered in foreign jurisdictions, of course, subject to necessary approvals. This LLP Bill also makes provisions for a smooth process for setting up LLP structures in Mauritius. The hon. Minister of Finance and Economic Development has again ensured that this is there in clause 9 of the Bill. Use of electronic system caters for the use of an electronic platform through the CBRIS, Companies and Businesses Registration Integrated System, where applicants may register, pay fees, submit financial information via an E-platform. This, at the very outset, eliminates administrative bottlenecks and further contributes to the ease of doing business.

Mr Deputy Speaker, Sir, traditionally, LLPs have been set up on the basis of cash contributions from partners. The new trend, globally, is for a mix of cash and non-cash contribution. Clause 12(3) provides for this flexibility, where partners can make cash and non-cash contributions in the constitution of LLPs. This, again, makes Mauritius an attractive

jurisdiction for these investors. The Bill allows for fiscal efficiency and neutrality. Income made through an LLP can be taxed directly in the hands of the partners on their personal income tax returns, thereby preventing double taxation that occurs in the case of other business entities. This has been catered in the Bill by the hon. Minister of Finance and Economic Development through the provisions for consequential amendments to the Income Tax Act in clause 69 (2) of the LLP Bill along the same line of a *société*. For every new investment decision, having the appropriate exit mechanism is also a key consideration, Mr Deputy Speaker, Sir. So, in clause 18 of the Bill, cessation of partnership interests allows partners to enter and leave the LLP easily without collapsing the structure. Again, unfortunately, I am not agreeable with what my friend, hon. Uteem, has been saying about clause 16 (2), on the point that what happens when a partner is unable to pay the capital contribution, and he wanted an amendment to say that they must rank as unsecured creditors. But we should not forget that we will have a partnership agreement and it is in the partnership agreement that we will have it. This is the flexibility which is being given or else if we were to bring in all these rigid, complex provisions, then there will be no difference between a company as a vehicle and an LLP as a vehicle. So, the partnership agreement between the partners will, of course, have confidentiality and will stipulate all these different issues that the partners think are important for them when entering into that structure.

Secondly, the hon. Minister can come up with Regulations to address other issues which, of course, when you legislate and come up with an Act of Parliament, this not a rigid process whereby you can't go and introduce new things through regulations, the power to make regulations are there. At the end of the day, the hon. Minister of Finance and Economic Development has also stated that this is going to be a staggered proclamation process, not everything is proclaimed in one go, but it would be staggered different sections all the time.

So, just to go back very quickly to another part which was mentioned by hon. Uteem, Part IX of the Bill Application of the Insolvency Act and Dissolution of Limited Liability Partnership. Part IX makes provision for the dissolution of an LLP in specific cases where either the partners come to an agreement in this respect or on a Court Order. Part IX of the Bill also provides for the Insolvency Act –

“The Insolvency Act shall apply to a limited liability partnership with such modifications, adaptations and exceptions as may be necessary to bring them in conformity with this Act.”

So, that also is the answer to what has been mentioned in terms of the Insolvency Act. Clauses 53 and 54 were also mentioned in terms of creditors getting paid first before partners. Hon. Uteem has mentioned the ranking which normally is applicable for companies. But, of course, even in partnerships you have secured and unsecured creditors. We all know secured creditors will be paid first and unsecured creditors will come afterwards. So, I don't think this is an issue which needs an amendment.

Also, in terms of section 53: what happens when somebody withdraws property from the business when it is making losses. Hon. Uteem mentioned that it should be only applicable where a partner has contravened a section of the Act. But, what we should not forget is this Act is not something which is isolated from our legal framework. You have a Civil Code also and if a partner is acting fraudulently and he is withdrawing property from the business, knowing that the business will fail, then, of course, this will be a *faute* under, I believe, Article 1382 and the Civil Code will apply. So, I don't think that there is any need for an amendment in relation to this section also. Of course, in the Insolvency Act, you have fraudulent trading or wrongful trading. But here, again, Civil Code will apply.

Mr Deputy Speaker, this Bill is set to open a new era, as the hon. Minister has said, in the way professional services providers have been operating in our country so far. This, as I mentioned earlier, is in line with what the practice is in leading international financial centres and through this Bill, Government is providing a structure for an internationally recognised structure for service providers to set up in Mauritius; the Bill completes an essential missing component of the eco-system of Mauritius to thrive as an international financial centre and doing business hub.

Mr Deputy Speaker, unlike many have said in the past, and here, unfortunately, I will have to go back to my friend, hon. Uteem, who at some point in time, mentioned, after we finalised the Double Tax Treaty with India, that the sector was going towards a certain death. The sector is alive and kicking.

Thank you.

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

(6.05 p.m.)

**Mrs D. Boygah (Second Member for Vieux Grand Port & Rose Belle):** Mr Deputy Speaker, ever since this Government has been democratically elected to power, it has set itself the task of finding new avenues to consolidate our economy. We, in Government, are

fully aware that the traditional *créneau* needed to be *refait* and reviewed accordingly. Existing protection barriers were met to end somewhere or sometime. We had to rethink our strategies. Our economic environment needed to adjust itself to the ever change at both national and international level. Brexit is the latest unforeseen and unpredictable example of this uncertainty at the international level.

Mr Deputy Speaker, our economic survival resides in our capacity to depart from the beaten track. The latest budget presented by the hon. Minister of Finance and Economic Development contains a series of measures in line with this philosophy of ours to create new avenues in the financial sector and the Limited Liability Partnerships Bill (LLP) is another budgetary measure which is being implemented by the hon. Minister. Congratulations, hon. Minister!

Mr Deputy Speaker, Sir, to promote Mauritius as an international financial centre and to diversify our product base, it is found important for Mauritius to introduce the Limited Liability Partnerships Bill that would allow the registration of limited liability partnership.

Mr Deputy Speaker, Sir, as stated by the hon. Minister of Finance and Economic Development Limited Liability Partnership legislation exists in major financial centres such as Singapore, UK, USA, Dubai Jersey, Japan, India and Canada. The limited liability partnership is a business structure that operates similar to a partnership, but with some elements of the companies. Limited liability partnership is a body corporate which has a legal personality separate from that of its partners whereby partners have limited liability, that is, one partner is not responsible or liable for another partner's misconduct or negligence.

Mr Deputy Speaker, Sir, in the limited liability partnership each partner –

- (i) is only liable up to the amount he has contributed;
- (ii) is liable for the action of his other partner, but is accountable for his own wrong acts or omission;
- (iii) has a role in the decision making process of the business and in the distribution in accordance with a partnership agreement.

Mr Deputy Speaker, Sir, the concept is of demarking liabilities to a particular partner in business rather than the whole partners. This measure will open gate to establish more partnership in the setting up of an enterprise. More such companies will emerge. Local investment will increase and more jobs will be created leading to a fall in unemployment rate.

Mr Deputy Speaker, Sir, the Limited Liability Partnership legislation will greatly help professionals like accountants, lawyers and consultant to set up the LLPs and, therefore, create more opportunities to harness the various advantage of partnership. Mr Deputy Speaker, Sir, this Bill allows an LLP to hold a global business licence

Regarding taxation, Mr Deputy Speaker, Sir, the LLP shall be taxed same as a limited partnership, the income by the LLP will not be taxable, but partners will be taxed on the share of the income that they are entitled from the partnership, except for partners that are not taxed resident in Mauritius.

Mr Deputy Speaker, Sir, I wish to draw the attention of the House that the difference between a limited partnership and a limited liability partnership is that in a limited partnership we have limited partners and general partners. The general partners are partners who invest capital, manage the business and are personally liable for partnership debts while limited partners are partners who invest in capital, but do not participate in management and are not personally liable for partnership debts beyond their capital contribution. General partners control the company's day-to-day operation and take on the legal debt and obligation of the business.

To conclude, Mr Deputy Speaker, Sir, this Government is laying the foundation stone of a brighter Mauritius. We are encouraging individuals to set up business in partnership because with this new piece of legislation, the risks of four partners have been reduced to the strict minimum and partners now will find themselves operating in a well-defined framework.

Thank you, Mr Deputy Speaker, Sir.

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

(6.10 p.m.)

**Mrs D. Selvon (Second Member for GRNW & Port Louis West):** Merci, M. le président. En termes d'augmentation des facilités offertes par le pays pour faire du *business*, le *Limited Liability Partnerships Bill*, présenté par l'honorable ministre des Finances et du Développement économique, est bienvenu en cette Chambre.

Le projet de loi qui est devant nous est un nouvel outil donné aux professionnels mauriciens et étrangers. Le *Limited Liability Partnership* (LLP) est une société en noms collectifs à responsabilités limitées. Il s'agit d'un nouveau type de société d'affaires que le ministre est en train d'introduire pour la première fois à Maurice.



Un papier de recherche de la *Financial Services Commission* sur cet outil pour les professionnels, publié le 04 mars 2013 est intitulé '*Concept Paper on Limited Liability Partnerships*', décrit ce type de société et le propose pour Maurice. Voilà ce qu'il dit et que j'ai traduit de l'anglais. «Une société en noms collectifs à responsabilités limitées est une structure d'entreprise qui a des similarités avec celle d'un partenariat d'affaires. La différence est la responsabilité personnelle limitée accordée à chaque membre du LLP. Cependant chaque partenaire est responsable de ses propres actions dans le *business*. Chaque partenaire dans le LLP a un rôle égal dans le processus de décision et une part égale avec les autres partenaires des profits et des pertes de l'entreprise.»

Le document ajoute: «en général les sociétés formées sous ce régime de partenariat auront l'acronyme LLP attaché à leur nom. Tous les types de *business* ne sont pas éligibles à ce statut et certaines juridictions limitent leur formation à certaines professions. Dans ces juridictions, ce type de société est taillée pour les professionnels tels les médecins, les avocats et les comptables. Les partenaires forment leurs entreprises pour tirer avantage de la protection procurée par sa responsabilité limitée de même que des avantages fiscaux dont bénéficient les partenariats d'affaires. »

Dans le projet de loi, l'Article 3 sous les alinéas (1) (a)(b) et (c) stipule que le statut de LLP sera octroyé à des personnes offrant des services professionnels et de consultants aux détenteurs d'une *global legal advisory licence* ou d'autres services qui seront prescrits. Mais j'ai une proposition ici sur les plans sémantiques, culturels et diplomatiques d'abord avant de faire d'autres suggestions concrètes et positives.

Dans les pays officiellement bilingues comme le Canada, la loi sur ce type de société permet l'usage de l'acronyme français SRL après leurs noms. Le projet de loi devant nous à l'Article 18 (1) interdit cet usage aux sociétés mauriciennes; cela alors que le *Companies Act* 2001 à l'Article 32 autorise le bilinguisme avec l'utilisation de compagnie limitée ou *Company Limited*. Le ministre avait d'ailleurs voté pour cette loi en 2001. L'interdiction de l'équivalent français superflu est contraire à notre statut diplomatique et international de pays francophones bien défendus par le Premier ministre lui-même. On peut même autoriser le terme sociétés en noms collectifs à responsabilités limitées.

Deuxièmement je suggère au ministre de trouver un moyen de renforcer la protection du nouveau type de société et les autres par des polices d'assurance existantes à Maurice contre les risques qui concernent la *professional liability* et le *public liability*. Il y a des

compagnies qui sont assurées déjà contre ces risques et ces assurances sont offertes par les compagnies d'assurance locale qui citent d'ailleurs elles-mêmes le Code Civil Mauricien Titre Quatrième, Chapitre Deuxième, des délits et des quasi-délits.

Ainsi dans le Code Civil Mauricien, les Articles 1382 à 1385 concernent la responsabilité pour les délits et les quasi-délits. L'Article 1382 disant ceci et je cite -

«Tout fait quelconque de l'homme, qui cause à autrui un dommage, oblige celui par la faute duquel il est arrivé à le réparer.»

Cela est développé avec davantage de précisions dans les Articles suivants. Il faudrait peut-être que le *Companies Act* également soit amendé pour cela. Toute organisation commerciale devrait prendre obligatoirement une assurance de protection pour elle-même et ses clients. Pour les avoués et les notaires, il y a une caution obligatoire imposée par l'Article 15 du *Law Practitioners' Act* mais c'est insuffisant.

Au Canada et en Grande Bretagne, les professionnels quels qu'ils soient doivent contracter des assurances pour dédommager des clients qui, par exemple, glissent, tombent et se blessent dans leur bureau où lorsqu'un client les traduit en Cour pour faute professionnelle. Une *by-law* du *Law Society Act* du Canada contient un règlement qui exige qu'une société à responsabilités limitées et je cite –

« Maintienne une couverture d'assurance responsabilité professionnelle pour chaque associé »

On pourrait, à Maurice, modifier le *Law Practitioners' Act* en introduisant la notion d'assurance obligatoire pour des réclamations en plus de R 100 000 de caution à fournir. C'est un vaste marché d'assurance créateur d'emplois que peut ouvrir le ministre en rendant obligatoire les assurances pour *public liability* et *professional liability* pour un vaste éventail de professions. En fait, cette protection s'avère encore plus nécessaire dans le projet de loi devant nous du fait que la responsabilité du *partnership* et des partenaires est engagée dans des conditions expliquées dans l'Article 13 du projet de loi. Le *public liability* et la *professional liability* constituent également un gros marché pour les assurances parce que le public a de nombreuses doléances pour fautes professionnelles ou pour *public liability*. Les brochures de compagnies d'assurances à Maurice évoquent d'ailleurs ces risques réels en disant qu'ils peuvent causer la destruction des compagnies et sociétés par des réclamations en dommages très fortes. Encore une fois, M. le président, je trouve le projet de loi qui est devant nous fort louable et positif surtout pour attirer les investisseurs et pour le

développement des secteurs professionnels ainsi que l'encouragement des *self-owned businesses*.

Je vous remercie, M. le président et remercie la Chambre.

*(Interruptions)*

**The Deputy Speaker:** Hon. Minister Mrs Jeewa-Daureeawoo!

(6.19 p.m.)

**The Minister of Social Security, National Solidarity and Reform Institutions (Mrs F. Jeewa-Daureeawoo):** Mr Deputy Speaker, Sir, allow me right from the outset to thank hon. Pravind Jugnauth for bringing forward this Limited Liability Partnerships Bill. The Limited Liability Partnerships Bill 2016 is a full-fledged piece of legislation which provides for the introduction of a new business structure which operates quite in the same manner as a partnership business structure.

We will recall that the Limited Partnerships Act 2011 was proclaimed with effect from 15 December 2011. Section 10 of the Limited Partnerships Act 2011 provided for the possibility of forming a limited partnership in Mauritius to carry on any lawful business in Mauritius or from within Mauritius with persons outside Mauritius or both in Mauritius and from Mauritius with persons outside Mauritius.

The Limited Partnership is a business structure which has a continuous and successive existence through its present and future partners until its dissolution. The general partners of the limited partnership can elect to have the limited partnership ad hoc legal personality at the time of the application for its registration. The limited partnership is governed by its partnership agreement which is binding upon the partners, their assignees and any subsequent partner.

The reason why I have briefly set out the main features of a limited partnership, as provided for in the Limited Partnership Act 2011, is to direct our mind to record the distinguishing aspect of the Limited Liability Partnerships Bill 2016. It is to be highlighted that clause 12 of the Limited Liability Partnerships Bill 2016 provides that –

“(1) A limited liability partnership shall consist of 2 or more persons associated for carrying on a lawful business.”

On the other hand, clause 3 of the Bill specifies that it applies only to a person offering professional or consultancy services, holding a Global Legal Advisory Services licence; or engaging in such other activities.

Thus, the structure of a limited liability partnership can only be used by certain businesses and not all lawful businesses. Unlike a limited partnership, a limited liability partnership is a body corporate which automatically has legal personality separate from that of its partners. It also has a partnership agreement which sets out the mutual rights and duties of the limited liability partnership and its partners. It has perpetual succession. What is most interesting is that the Limited Liability Partnerships Bill of 2016 provides for a limited liability partnership to have at least one Manager who is responsible *inter alia* for guiding the partners on their duties and obligations.

The Bill 2016 further caters for the registration and continuation of a foreign limited liability partnership. I will pause on a very important aspect of this Bill, the liability of the partners of the Limited Liability Partnership. It is to be recalled that for a limited partnership under the Limited Partnerships Act 2011, every general partner is jointly and severally liable with the other general partners for all debts and obligations of the limited partnership incurred while he is a general partner. Furthermore, a limited partnership may indemnify any partner from and against all or any claims, demands and debts unless otherwise provided in the partnership agreement.

For the purposes of a limited liability partnership under this present Bill, a partner will not be liable to pay the debts of the limited partnership beyond the amount he or it has agreed to contribute to the limited liability partnership. Thus, an obligation of a limited liability partnership, whether arising in contract, tort or otherwise, is solely the obligation of the limited liability partnership. Thus, a person will not be personally liable directly or indirectly by way of indemnification, contribution, assessment or otherwise for an obligation of the limited liability partnership solely by reason of him being a partner of the limited liability partnership. This is so despite the fact that every partner of a limited liability partnership is an agent of the limited liability partnership.

I am of the view that this is the most attractive aspect of this present Bill. It was high time that innocent partners are protected from liability. Let me remind the House that the concept of limited liability partnership, as has been stated by orators before me, is not unknown to various jurisdictions such as Jersey, Singapore, India, UK, Japan and the US. By

introducing this concept in Mauritius, we are placing Mauritius on the same level playing field as these big economies. Limited liability partnerships are indeed useful and flexible vehicles used specifically for tax planning and financial structuring as has been clearly elaborated by hon. Bhadain. This business structure is also in line with the establishment of an up-to-date legal framework in Mauritius which poses itself as an international financial centre. Let the promulgation of this piece of legislation be the launching pad for the future development of the Mauritian economy.

Thank you.

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

(6.26 p.m.)

**Mr S. Fowdar (Third Member for Grand’Baie & Poudre d’Or):** Mr Deputy Speaker, Sir, it is very embarrassing because everything which I wanted to say has already been said by all the previous orators. I found it more embarrassing also for my subsequent orators. They will find it very difficult to talk about the limited liability partnership. But I will try to find some points so that I can speak for 10 minutes or five minutes.

Mr Deputy Speaker, Sir, of course, I welcome this Bill.

*(Interruptions)*

I will be limited to speak on the Limited Liability Partnerships Bill.

Mr Deputy Speaker, Sir, I welcome this Bill. This Bill is putting Mauritius at par with developed countries like UK, USA and all the developed countries. It is a very important vehicle for businessmen. I had the opportunity to be a limited liability partner in the UK and I know how it functions. This Bill is slightly different from that of the UK and India and I will come to it later on.

Mr Deputy Speaker, Sir, three popular types of business structures are: sole trader, partnership and company. The company is the most popular type of business organisation, but partnership started in 1890 in the UK - as far as 1890. That was the first Partnerships Act in the United Kingdom. At that time, partnerships were general partnerships, that is, all partners were liable to the company's debt in case of insolvency. It developed into what we call the limited partnership, not limited liability, but limited partnership, where we had, at least, one general partner. The rest were limited partners, that is, one partner was responsible for all the debts in case of insolvency and then the others were limited partners.

Now, what are limited partners? Limited partners are people who bring capital and in return they want return, but they don't want to have any sort of liability in case of insolvency. Therefore, it is all about risks and return. When you talk of businessmen, they all worry about what are the risks they are taking and what are the return they will get. Now, they want to take minimum risks and they want to have the highest return. This is why partnerships and companies have got advantages and the LLP mixes the two sets of structures into one structure.

Now, what happens to the partnership, Mr Deputy Speaker, Sir? The biggest advantage for the partnership is a tax advantage. In a partnership, the partnership account is not taxed. You don't pay tax on partnership profit. Who pays tax on partnership's profit? It is only the partners on their share of profit whereas in a company there is double taxation. The company pays corporate tax on company's profit and then the shareholder pays double tax on dividend. So, they pay tax twice. First, on the company's profit and then the shareholder pays tax on dividend. Now, this does not happen for the partnership. Partnership pays tax only once, that is, the partner pays tax on their share of profit.

Now, Mr Deputy Speaker, Sir, the solution is the LLP, the LLP merges the two advantages of the limited company and the partnership. So, in an LLP, the partner has limited liability and also pays limited tax. He pays tax only once whereas in a company, they pay tax twice. In a partnership, they were paying tax only once, but they had unlimited liability. Therefore, this is an excellent move that we bring this LLP into operation in Mauritius. I know a lot of companies will run now to close the company convert into LLP because of the tax advantage. What is the difference - I won't go back into this limited liability. My colleagues have already mentioned above this - between the LLP in Mauritius and the LLP that is being proposed today and the LLP in UK? Mr Deputy Speaker, Sir, our technicians would have probably seen that in the UK and India, LLP partnership has got two types of members. They are not called partners. They are called members. There are designated members and there are ordinary members. The designated members and the ordinary members both have limited liability and they would both usually participate in profit equally unless they have an agreement which provides other provisions for share profit.

Now the thing is that I used to be an ordinary partner in an LLP. Why I was an ordinary partner? I was looking for a job in the UK, Mr Deputy Speaker, Sir, and a firm of accountant proposed me a job and they wanted me to be a partner. I came home and I was really happy that I will be a partner next day. But then I went through the Act and I saw what

is an ordinary partner, what they were going to do with me was going to be a disguised employment and this is a very popular in the UK. Today, it is over millions of people in LLPs, but they are in employment. They are not real partners. They are not designated partners. They are not true partners, but they are called partners for the sake of employment. And what they would do is that they would draw a 'salary', not called salary, but it will be called drawings. They will draw an account of profit until when it comes to the end of year, they would be credited with the profit and then the debit will set off the credit. So, that creates an opportunity for both the ordinary partner because he gets an employment easily, but he is not in employment as such and the employer has got no burden of hiring and firing. There is no pension cost. There is no, what we call here, NPF. There is National Insurance. They do not have to pay all this and the partner is responsible for his own taxation. He files his own tax return as a self-employed person and not as an employed person. Now, this has created a boom in the UK. If you look at figures in the UK, it is slightly over 5 million people employed in the public sector. And we have almost 4.6 million people who are self-employed and mostly are self-employed as LLPs. I know we are starting now. It is an excellent move. Probably in the future, we can look into the possibility of doing some amendments to bring this concept of designated partnership and ordinary partnership.

The other thing also is, here we are creating a necessity to create a post of Manager. Now, this could be a burden for small partnership. Two members and then they need to have a manager who is highly qualified because it has to be a member as qualified as a company secretary. So, he has to be either a qualified Accountant or a Chartered Secretary. Obviously, they would be earning quite a lot. But most of the LLPs are professionals, they are Accountants, they are Lawyers. they are Architects, they are Engineers. Most of them can guide themselves. They don't need to be guided and they can do their own return. It is simple to do their own return or they can, sort of, hire an Accountant for a small pay for the return. So, the manager is not a burden for the medium size company. He is not a burden for a large company, but he may be a burden for a small one, the start-ups, those who are starting. Particularly, the SMEs are being launched. I know most of the SMEs will be traders, but there could be SMEs professionals launching as SMEs, using the capital, then they can start as LLPs, but the compulsory need to have a Manager, may be a sort of a hurdle for them.

This is what I wanted to say, Mr Deputy Speaker, Sir. I have quite a lot to say, but they said everything. I don't want to keep my friend waiting for long, but I need to

congratulate the hon. Minister Finance and Economic Development for bringing this Bill as early as it has been. The last Bill which came into the House in the UK was in 2005 for the LLP and then it was enacted a little bit later. But we are not far behind. Mauritius is a small country and we are bringing this LLP which is a new vehicle, a very efficient vehicle, a very popular around the world. I am glad that the hon. Minister Finance and Economic Development has brought it in Mauritius, in particular also because we have a lot of financial services business in Mauritius.

I thank you for your attention.

(6.37 p.m.)

**Mr D. Sesungkur (First Member for Montagne Blanche & GRSE):** Thank you, Mr Deputy Speaker, Sir. I will try to be as brief as possible for obvious reasons. I agree with hon. Fowdar when he said that there is not much to say because intervening after so many solid orators, it is difficult to find valid points on this piece of legislation.

I think this is a highly technical Bill, but at the same time, it is quite straightforward and I can see that there is consensus on both sides of the House. I will rather focus my presentation on the benefits of this Bill because many of the orators have spent a fair amount of time talking about the technicalities and the various clauses in the Bill. I will spend some time talking about the benefit of this Bill.

First of all, I would like to congratulate the hon. Minister of Finance and Economic Development to come up with such an important piece of legislation. Last week we had the Cooperatives Bill. This week we are enacting another piece of legislation which will, again, modernise our economic machinery. It will improve our legal framework of doing business. It will ease business facilitation and I think it was very opportune for the hon. Minister of Finance and Economic Development to come up with this Bill after his Budget to set the pace for implementing a series of measures which he announced. So, the Limited Liability Partnerships Bill falls into this context.

As you are aware, Mr Deputy Speaker, Sir, this Government is pursuing its mission to improve our economic environment and the way to do business and the Limited Liability Partnership falls into this context. Of course, various orators have said that the LLP is a new business structure. It is a new way to organise businesses. There was previously the Companies Act, now we have the Limited Liability Partnership. It will allow businesses the option of using another way of organising themselves to do business. This Limited Liability



Partnerships Bill is straight in line with the strategy of Government to put back Mauritius on the path of economic development as fast as possible.

You will be happy to note, Mr Deputy Speaker, Sir, that this Government has enacted not less than 50 legislations since we came in Government in December 2014. More than 50 legislations have been enacted, compared to only six in 2014. Among the main ones, which improved the overall legislative framework for doing business, we have the Finance and Audit (Amendment) Act, the Construction Industry Development Service Board (Amendment) Act, the Good Governance and Integrity Reporting Act, Captive Insurance Act, Build Operate Transfer Projects Act. Last week, we had the Cooperatives Bill and this week we have the Limited Liability Partnerships Bill. So, we are continuing on this right path to provide as much infrastructure to business people to do business.

Part VI of the Bill clearly demonstrates how Mauritius will benefit from this new legislation. It facilitates the transfer of registration, which means that it will facilitate business migration from one jurisdiction to the another. Hon. Bhadain spoke about the development of the global business sector, how we are fast developing Mauritius into an international financial centre of repute and how important it is to upgrade ourselves, to put us at par with other countries, like hon. Fowdar has said. We have to be at par; we have to be competitive.

According to a recent analysis which was made by the International Institute of Management Development on World Competitiveness in 2016, Hong Kong tops the competitive league, which means that, today, Hong Kong is the most competitive economy in the world, ahead of the US, which comes on the third position, ahead of Singapore, which is on the fourth position. What does the International Institute of Management Development say? It says that common pattern among all the countries in the top 20 is their focus on business-friendly regulation. What is important is the business-friendly regulation. We have to continually improve business facilitation.

Apart from business-friendly regulation, there are other facilities like physical and intangible infrastructure and inclusive institutions. So, this limited liability partnership improves our overall world competitiveness because we are now in a position to offer new products, new way of organising businesses, especially to international business people, which we did not have previously. But I will not be overly optimistic about this new business organisation because, as my friend said, LLP is popular in the UK, but not so much popular in other countries. The limited company remains the preferred organisation, the preferred way

to structure business worldwide. But we have to give the international community, the international business people this offering, so that we are at par for this type of businesses which operate in other countries. If they want to migrate, if they want to come to Mauritius, to settle in our jurisdiction, they can do it easily.

I will also refer to two interesting articles which appeared a few weeks ago. One is the MCB Focus, November publication, which has laid significant emphasis on the necessity to boost our export of goods and services so that we can improve our economy, we can improve our growth rate. Then, there is the annual speech which the Governor of the Central Bank delivered in November itself, where he also emphasises the importance of bringing back robust growth of our economy through the development of our export of goods and services.

Now, easily said than done. When we talk about export-led growth, many people try to visualise what happened in the 80s and, incidentally, the MCB Focus refers to the 80s when we had a very robust rate of growth, when the manufacturing sector was delivering a solid performance in terms of export revenue, in terms of export growth. But, today, it is important to realise that we cannot adopt the same strategy that we adopted in the 80s because there are many parameters, many fundamentals which have changed, and we have to adapt, we have to review our strategy. That is why, precisely, Government is improving the legal framework, so that we can export more in terms of services.

We are trying to develop other sectors like bunkering, tourism, banking services, non-banking services, financial services because these are the sectors which will help us to support our growth rate, our economic growth. So, all in all, I think the Government is doing the right thing, and we need the support of the people.

When we talk about developing Mauritius, the economic sectors, of course, Government is sincere in its approach. When we initiate new projects in the tourism sector, Government wants to create jobs, Government wants to...

**The Deputy Speaker:** Hon. Sesunkur, sorry! I have allowed you to go a bit wider, but please come back to the Bill.

**Mr Sesunkur:** Yes, I am coming...

**The Deputy Speaker:** We are running out of time. Thank you.

**Mr Sesunkur:** So, what we are trying to do is to prepare ourselves to give a boost to our services sector. The Limited Liability Partnerships Bill is an important part of this

strategy to give us this momentum to create more opportunities for our people. So, what we need to do is we have to further enhance business facilitation framework and the investment climate. We have to provide legislative and institutional support to enhance the attractiveness of public-private partnership.

**The Deputy Speaker:** Hon. Sesungkur...

**Mr Sesungkur:** Yes, I am concluding.

**The Deputy Speaker:** Hon. Sesungkur, I have told you the first time, ...

**Mr Sesungkur:** Yes, I am concluding.

**The Deputy Speaker:** ... this is outside the purview of the Bill. Come back to the Limited Liability Partnerships Bill, please!

**Mr Sesungkur:** I am concluding in any case. So, this piece of legislation again will help us to strengthen our reputation as an international financial centre and we hope that Mauritius will benefit from this in the future.

Thank you very much.

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

(6.51 p.m.)

**Mr S. Rughoobur (Second Member for Grand’Baie & Poudre d’Or):** Thank you, Mr Deputy Speaker, Sir. Let me first of all thank the hon. Minister of Finance and Economic Development and his team for coming forward with such a legislation.

Mr Deputy Speaker, Sir, I am going to elaborate very briefly on two issues, one is the issue of governance in this whole operation of a LLP and, secondly the benefits that such a structure is going to bring to the economy.

Mr Deputy Speaker, Sir, as opposed to a limited company where you have this issue of a clear demarcation between ownership, direction and control, here in a LLP it is clear that you have the partners, the owners who have also direction and control and, I think you might be having a governance issue because in companies, as opposed to companies where you are going to have a board, the administrative arm for the management of the company. In this case, I believe the Act makes provision for governance because we should not forget that in section 15 subsection 4 it is binding upon the LLPs to have an agreement.

The first point that I want to make under governance, Mr Deputy Speaker, Sir, is, I believe, it would be the responsibility of the Minister of Good Governance to ensure that, like last year the Cabinet issued guidelines on the roles and responsibilities of the CEO, the Chairman and the Board, it would be important for the Ministry to have a look at the agreement even in this case and come up with proposals only to ensure that the agreements that will be in place when a LLP is set up, will go in line with promoting the whole concept of good governance. So, my first point is on this whole issue of ownership and control.

Secondly, the issue of accountability, Mr Deputy Speaker, Sir! Section 40 of the Act makes provision for the LLPs to file audited financial statements and there are other jurisdictions where this is not compulsory. But here, I think this is a very important decision to compel LLPs for those having a turnover less than Rs50 m. to file with the Registrar a financial summary and for those above Rs50 m., of course, to file audited financial statements. I believe this important clause in this Act will not only promote transparency and good governance, it will contribute, at the same time, in ensuring that the partners in an LLP have the opportunity also to assess their performance. This should be something really important because today partners in a general partnership or when you are operating as a sole trader, very often, in such structures it is not easy for those sole traders or general partners in a partnership, the fact that they are not compelled to file anything with the Registrar or any other institution and very often it is not as easy for them to evaluate their performance. I believe this is one of the means by which it is an excellent tool for them when they are being compelled to file such a document as it gives them the opportunity also to evaluate the performance of the business. This is the second issue I wanted to raise in as far as the issue of governance is concerned.

The third issue that I wanted also to raise is an issue that has been widely debated which is the issue of limited liability. Mr Deputy Speaker, Sir, it is important as well to emphasise on the fact that the liability of the partners in a limited liability partnership is restricted to their share of participation in the structure. But, in the case where a partner in a limited liability partnership is found guilty of malpractice or is involved in fraudulent activities, then the liability is, we might say, unlimited as well. It no longer has this immunity that it enjoys as the other partners in the structure. Mr Deputy Speaker, Sir, these are the three issues of governance that I wanted to raise. But, there is one issue that is not that clear in this legislation, it is the extent to which the LLPs are allowed to participate in tender exercises in the public sector. In this case, maybe the hon. Minister of Finance and Economic

Development might clarify whether an LLP is allowed to participate in procurement exercises in the public sector. So, this maybe is something that the hon. Minister of Finance and Economic Development might clarify later on.

Apart from this, the second issue that I wanted to raise, Mr Deputy Speaker, Sir, is the issue of the benefits that such a structure is going to bring to the economy. I would have a suggestion for the Minister of Business based on the proposal that we have in this LLP. I would suggest that the Minister of Business embarks on *un exercice de communication* because those SMEs are having an opportunity from this structure to probably participate. We have a lot of SMEs today which are sole traders and we also have a lot of SMEs which are involved in general partnership. Now that they have through this structure the possibility to participate in a structure where they will have the possibility to limit their liability, I think it would be interesting for the Ministry of Business to embark *dans un exercice de communication* to communicate this to those SMEs and explain to them how they can benefit from the decision of the Government to come forward with such a legislation.

There is another issue that I wanted to raise which I believe, for this legislation, is going to be beneficial to our economy. Last year, there were some concerns expressed by lawyers, local firms as to the establishment of foreign professionals like today we are encouraging foreign LLPs to get established in Mauritius. I believe that encouraging foreign expertise and foreign LLPs to be established in Mauritius would, in a way, contribute in sharing expertise and, for this vehicle, we can also see how we can tap the opportunity that we have in the region. By encouraging foreign LLPs to get established in Mauritius, to encourage locals to get tied up with such structures, it might give us the possibility to explore better the opportunity that we have in the region, in the African market and I believe that it might be a very interesting opportunity that professionals - be it law firms, be it architects, who are operating as sole traders - should not miss. I think this is something that is going to be very beneficial to the economy, to those professionals as well. So, I wanted to elaborate briefly, to dwell on these two issues: governance and then the benefits that this structure that we are putting in place are going to bring to the economy.

Of course, Mr Deputy Speaker, Sir, I must conclude by saying that I believe that this legislation, in its present form, is not an end in itself. It will be called upon to be reviewed over the months and the years with a view of making it more conducive to the changing political, social and economic environment, but I believe that it is a good Bill and it is a good start.

Thank you, Mr Deputy Speaker, Sir.

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

(7.04 p.m.)

**Mr A. Ganoo (First Member for Savanne & Black River):** Mr Deputy Speaker, Sir, after having heard the speeches of the different Members from the different sides of the House, it is clear that there is a consensus in this House with regard to the introduction of the present Bill which, as we have been told, has been inspired from different jurisdictions around the world.

Definitely, Mr Deputy Speaker, Sir, this Bill, when enacted, will help in boosting our effort to develop further our service industry since it will provide an additional vehicle to enable its owners, the flexibility of operating as a partnership while having a separate legal identity like a private limited company. This type of vehicle, as we have been told, is highly suitable for individuals engaged in professional services such as lawyers, architects, accountants and management consultants. So, Mr Deputy Speaker, Sir, the LLPs will enable these professionals to set up a business in partnership with other professionals in their trade in order to maximise their service capacity and professional expertise.

Additionally, this new structure will make it easier for them to administer their business. But, Mr Deputy Speaker, Sir, when we think about it, it is pointless to introduce legislation which, instead of assisting in facilitating and promoting business ventures, sometimes create confusion in the minds of the users and act as a deterrent to business. In 2012, we enacted the Limited Partnership Act which has been referred by a few interveners before me. At that time, that legislation was introduced with the aim to promote business by creating an intermediary vehicle between the company and the partnership structure, this limited partnership of 2012 aimed at providing limited liability to the partners and also introducing more flexibility in particular regarding the capital contribution and reporting requirements.

As we were told, the limited partnership did not make it mandatory for the partners to have a minimum capital and to have a constitution. The Act of 2012 provided for the general partner and the limited partner. The limited partner is dormant in that he is not involved in the day-to-day management of the partnership and has a priority right to dividend while the general partner is actively involved in the administration of the partnership and both partners enjoyed limited liability.

Today, Mr Deputy Speaker, Sir, the proposed LLPs constitute another structure, as I said, which various jurisdictions have enacted to enhance their business environment. The LLP is an attempt to introduce an intermediate vehicle between the companies set up under the Companies Act and partnership *société* for promoting professional services. Since professionals, be it the accountants, lawyers, medical practitioners, architects can group themselves together under one structure to develop synergies among themselves and avoid being buckled down by administrative and reporting obligations. This is why, Mr Deputy Speaker, Sir, many countries have introduced the LLP or *le groupement d'intérêt économique* like in France.

Primarily, the aim of such legislation is to minimise costs of operations by having a minimum capital requirement or no stringent reporting requirements, no tax return and no annual return filing obligation. Additionally, I think hon. Fowdar said it before me, there is no requirement to recruit employees. The partners are considered as self-employed and as such they have no obligation to contribute to social security or pension.

Mr Deputy Speaker, Sir, in the past, in this very House, we have introduced many business structures with similar attractive features such as the limited partnership I just referred to, the protected cell company, the trust vehicle, but the question we have to ask ourselves. Have all these mechanisms been successful or had it not been the case because of the constraint embedded in the provisions of these past legislations?

The present Bill, the Limited Liability Partnerships Bill, should be by essence a flexible and easy-to-administer vehicle and any attempt to burden it with heavy reporting obligations and the imposition of penalties will be diluting its fundamentals by ensuring more flexibility with regard to the structuring, to the supervision, to the reporting and to the taxation issues. We can undoubtedly encourage more business to be structured to Mauritius. But, unfortunately, Mr Deputy Speaker, Sir, I have gone through the Bill many a time, the proposed Bill, on many occasions, departs from the very essence of the concept of the Limited Liability Partnerships by imposing a number of constraints on the partners, which as I said, will undoubtedly dilute its attractiveness. There are many clauses in the Bill, Mr Deputy Speaker, Sir, section 53(1), which deals with personal liability in the event of insolvency, makes the partner or the manager, whether actual or former, personally liable for any contravention made under the Act. Section 67 imposes a series of heavy penalties and in one case imprisonment for non-compliance offences of the Act.

Clause 40, imposes on the partners obligations to file a financial summary or audited accounts with the Registrar. I have gone through the Singapore Act; many of these obligations do not exist in this legislation. I will come back in a few minutes to some of these clauses.

The requirement to apply to a Court of Law for simple matters like restoration of the name of the LLP on the register, as provided under clause 47, should have been avoided and instead should have been made to the Registrar, as provided under section 319 in the case of Companies under the Companies Act. More importantly, Mr Deputy Speaker, Sir, the tax benefits should have been clearly stipulated to avoid confusion and to sensitise both local and foreign professionals to use that vehicle. To my mind, nowhere in the proposed Bill has the tax regime been clearly spelt out. This omission, deliberate or not, unfortunately might seriously demean the very essence of the proposed Bill.

Likewise, Mr Deputy Speaker, Sir, the proposed Bill contains some of the loopholes by omitting to expressly provide for some important features that would have ensured the smooth functioning of the said structure. For example, there is no specific provision to hold annual general meeting. There is no requirement to have employees. The partners are not entitled to remuneration. It does not specify who can be the two partners. No mention is made as to whether the proposed LLPs tax and personal tax rate of the partners on the distribution. Therefore, Mr Deputy Speaker, Sir, in the light of the above and for the sake of clarity, I sincerely think that some of the clauses should have been revisited and perhaps some amendments should have been made to the proposed draft Bill.

I do not intend to go through the different clauses, Mr Deputy Speaker, Sir, but I am just making a suggestion that even in the interpretation section of section 2, some terms used should have been incorporated. For example, I am lawyer; I know we have the Interpretation and General Clause Act. But words like 'body corporates'; words like 'a person' are referred to in several sections of the Act. Word like 'property' which is referred to in section 12(3) should have been defined, for example, to include 'cash' as well as 'non-cash' contribution. Word like 'resident' is vague and should have been defined to have perhaps the same meaning as provided in section 73 of the Income Tax Act 1986.

When we come to the application of the Act, Mr Deputy Speaker, Sir - this point has been made before me, but I would like to come back to it - section 3 which deals with the application of the Act does not adequately delimit the scope of the activities that could be



carried out under this Act. It, therefore, opens the door to wider interpretations. Section 3 (1) provides that this Act shall apply to a person offering professional or consultancy services, holding a global legal advisory services licence or engaging in such other activities as may be prescribed. The Bill does not specify the other activities as may be prescribed. We can just imagine the wide possibilities in terms of activities that may be prescribed. This is why I am of the opinion, Mr Deputy Speaker, Sir, that section 3(a) should have been made to read as follows -

“This Act shall apply to a person –

(a) offering lawful business including professional, legal and consultancy services either in or outside Mauritius and exclude financial intermediaries and functionaries of investment funds as defined in the Collective Investment Regulations of 2008

(b) holding a global legal advisory services licence”

In that way, we would have been more restrictive and we would have delimited the scope of the activities that are to be carried out under this Act.

Mr Deputy Speaker, Sir, clause 12, which deals with the constitution of Limited Liability Partnership, does not expressly exclude charitable activities to be conducted through this vehicle. This is why, again, I would have thought that in clause 12 (1), the words ‘with a view to profit and distribution’ should have been added after the word ‘business’ and the amended subsection should have read –

“A Limited Liability Partnership shall consist of 2 or more persons associated for carrying on a lawful business with a view to profit and distribution.”

Mr Deputy Speaker, Sir, I now come to clause 37 - minimum of two partners and clause 38 - Manager. I appeal to you to bear with me for a few minutes. I think, Mr Deputy Speaker, Sir, the appointment of a Manager, as provided in clause 38, should have been limited to cases where the partners are non-resident or the LLP is a foreign partnership. Then, the LLP would have needed a representative in Mauritius to be accountable to the Registrar for any compliance matter. But as far as local resident partners are concerned, they could have elected one of their peers to fulfil this function. Imposing a Manager indiscriminately, whether the partnership is a resident or non-resident, may only represent additional costs. It can also mean that the resident partners have to cope with someone who may not share the same professional values as the partners. Therefore, I am proposing, Mr

Deputy Speaker, Sir, that a new subsection 2 should have been introduced reading as follows

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“Where all or the majority of the partners are local residents, the LLP shall ensure that at all times, at least, one of the partners is formerly appointed, not as a Manager, but as a designated partner - a term which has just been referred to by hon. Fowdar and which exists in the UK legislation - and the partners become fewer than two for reasons specified unless a new designated partner is appointed, then the remaining partner automatically becomes a designated partner.”

And this designated partner, in the case of local resident, shall have the same rights and obligations as a Manager.

To come back to the Manager, with reference to clause 38 of the Bill, I insist, Mr Deputy Speaker, Sir, that this concept of Manager be limited to LLPs where the partners are non-resident individuals or body corporates, where all or the majority of the partners are non-residents of Mauritius or the LLP is registered as a foreign LLP, then the LLP shall ensure that it appoints, at least, one individual with not a partner as manager. Of course, this Manager should have been a person of full age and capacity, a resident of the country, qualified as a Secretary of a company as it is stipulated in the Bill before the House today. Therefore, Mr Deputy Speaker, in the case of a global business licence, LLP holding a global business licence, the Manager of this LLP holding a global business licence shall be a management company holding a management licence referred to in Section 77 of the Financial Services Act.

Mr Deputy Speaker, this question of the Manager also, I think the Bill has not been thorough enough. For example, I do not see the scenario where the Manager resigns or intends to resign or to vacate his office, what are his responsibilities, whether he has to give a notice in writing to the LLP, whether he has to inform the Registrar, when will his resignation be effective and for during a period no managers appointed, the law should have been more explicit on this situation.

Mr Deputy Speaker, I come now to section 40 of the Bill. Section 40 Audited financial statements or financial summary. This also has been commented by a few colleagues before me. Mr Deputy Speaker, much of the success of this legislation will depend on the unique features embedded in the provisions of the Bill. I strongly believe that a minimum reporting obligation will be a major attraction for this proposed Bill. In fact,

according to me, most of the provisions in the actual Section 40 should have been scrapped and replaced by other provisions which obtained in other foreign legislations, for example, in the Singapore Limited Liability Partnerships Act. The reason, Mr Deputy Speaker, is that this section imposes an obligation on the LLP to file with the Registrar a financial summary or a financial statement depending on whether, as we know, the threshold of Rs50 m. has been attained or not and failing to comply with this obligation may result into heavy fines.

Moreover, Mr Deputy Speaker, we know that in line with the OECD recommendations for a level playing field between the offshore and the domestic company, we should avoid discrimination between the global business company and the domestic company. This section clearly discriminates between offshore and local company by making it mandatory for GBC companies, irrespective of their turnover, to file audited financial statements. I say that, Mr Deputy Speaker, because we know this legislation is, I will not say primarily, but is mostly destined for non-residents professional. The reporting requirements as provided under section 40 will undoubtedly deter those professionals to consider Mauritius as a place to do business. The rationale for such stringent reporting is not easily understood because we must know that the LLPs are not taxed on a corporate basis. Thus, the requirement for annual return and financial statement is not necessary for the purposes of calculating the tax liability.

Therefore, I strongly believe that Section 40 should have been revisited. This section imposing a reporting obligation that exists for companies incorporated in the Companies Act. In view of the fact that we know that the LLP will be private businesses, involved mostly in consultancy, the need for investors or shareholders protection is not as strong as if it would have been required should the structure be a company. For the same reasons, Mr Deputy Speaker, I think Section 41 also should be reviewed concerning accounts and records to be kept at Registered Office.

In this section, I think the Bill should not empower the Register to inspect without notice the books of the LLP because this is what, in fact, Section 41 provides for, that it is possible for the Registrar to open for inspection during business hours without giving notice at any time during business hours to open the books. I think we should follow again, the Singapore model on that issue and allow the books to be inspected at any time by the other partners. Therefore, the necessary corrections should have been made in Section 41 so that the provisions should have read as follows –

‘The records referred to in subsection (1) shall be –

kept at such place as the partners think fit and shall, at all times, be opened to inspection by the partners and the Registrar may, by notice in writing to the limited liability partnership or to any of its partners require the LLP of the Manager or the designated partner to produce the records referred to in subsection (1) for inspection within such time and such place as may be specified in the notice’.

So, I think that would have been less of a constraint and a burden, Mr Deputy Speaker.

I come to clause 47 Restoration to register and effect of removal. Here again, Mr Deputy Speaker, inspiring myself from section 319 of the Companies Act, I am of the view that recourse to the Court as it is provided in the Bill before the House for restoration of the LLP on the Register should have been avoided. This will help in making the restoration process more expedient and less costly. This is why again, I think that clause 47 should have been reviewed by deleting the words “Court” and substituting thereof the words “The Registrar”

Clause 49, again, this concerns another matter, on the question of Dissolution of limited liability partnership. Subclause (1), again, should have been revisited and amended by either adding a new subclause, Mr Deputy Speaker, Sir. I am of the opinion that where the partners unanimously or by a simple majority have decided to cease to carry on business.

The point I am making is that this particular clause should have been amended by providing that the dissolution should be signed by all or a simple majority of the partners. In the present Bill 49 –

“(3) A limited liability partnership shall not be dissolved unless a notice of dissolution signed by all the partners is filed with the Registrar(…)”

I am proposing, Mr Deputy Speaker, Sir, it should have been “by all or by a simple majority of the partners”.

I come, finally, Mr Deputy Speaker, to clause 53 the Personal liability in event of insolvency pertaining to the duties of the Manager. Mr Deputy Speaker, in this case, clause 53 Personal liability in event of insolvency - what is the Bill providing for? In fact, the Bill is placing a heavy burden on the management companies acting as Manager which, in most cases, are not privy to the day-today running of the LLP and who, most of the time, have to

await the instructions from the partners who may be non-resident. Therefore, this is the situation in those cases.

We are placing a heavy burden on the management companies who act as managers and who most of the time are not privy to the day-to-day running of the LLP and who most of the time have to await the instructions to be given by the partners who may be non-residents. Therefore, on the ground of fairness, Mr Deputy Speaker, Sir, I think we should have deleted the words ‘any manager or former manager’ because the Bill reads as follows –

“The Court may on the application of any creditor or former partner declare that any partner or former partner or any manager or former manager in the partnership who is responsible for the contravention to be personally liable without limitation of liability for the debts of the limited liability partnership or part of such debts as may be specified by the Court.”

So, this is what the manager is risking. Any manager or former manager, therefore, becomes responsible without limitation of liability for the debts of the limited liability partnership or part of such debts, as may be specified by the Court. In clause 38, Mr Deputy Speaker, Sir, what are the responsibilities of the manager? A manager shall be responsible, according to clause 38, for guiding the partners on their duties and obligations under this Act, for ensuring that minutes of meetings are taken, for ensuring that proper filing is done with the Registrar, ensuring that the financial summary of the limited liability partnership is prepared in time. These are his duties. And we are, in the clause I just read, imposing on this manager, on the former manager, this heavy burden of being responsible without limitation of liability for the debts of the limited liability partnership. I think we have to review that.

Lastly, Mr Deputy Speaker, Sir, I come to the tax regime. Mr Deputy Speaker, Sir, the tax regime is a major consideration for the success of this proposed Bill. Unfortunately, the Bill is silent on the tax regime of the LLP. I am concerned by this major omission, and this will be a breeding ground for all sorts of interpretation and confusion. Generally, in most jurisdictions, LLP is not taxed as an entity, but is taxed at the level of the partners on a personal basis as income tax with regard to the distribution received.

But, in our case, I will say, Mr Deputy Speaker, Sir, that we should have demarcated ourselves from other jurisdictions by giving the option to the LLPs to elect to be taxed either at the level of the partnership itself on the basis of corporate tax or to be taxed at the level of the partners itself as income tax. This option will enable the LLP to avail of double taxation

avoidance treaty benefits in cases where they are deriving income from abroad or they can benefit from investment allowance provided under the Income Tax Act. The option of being taxed at income level will enable the partners to avoid complications relating to the filing of returns, etc.

Moreover, I strongly believe, Mr Deputy Speaker, Sir, that the LLP or the partners should be able to avail of the Foreign Tax Credit Regulations of 1986, which will enable them to claim the credit of 80 per cent on any tax suffered abroad. Mr Deputy Speaker, Sir, if we really want to attract foreign professionals to develop the IT sector, consultancy, legal, R&D, biotechnology, I strongly recommend and I am of the opinion that we should align our tax regime for foreign sourced income on that of Singapore and Hong Kong, where any income earned abroad by a local resident and remitted to his place of residence will be tax exempt. Accordingly, I appeal to the hon. Minister that the income tax be reviewed in due time by making foreign sourced income received by a Mauritian resident tax exempt.

Therefore, Mr Deputy Speaker, Sir, I am of the opinion that either in this legislation or in the near future the law should be reviewed to provide the possibility for the partners to elect the regime under which they opt to be taxed and the partner may elect to be taxed either at the corporate rate or at the personal tax rate on the distribution received.

Mr Deputy Speaker, Sir, I think I have made my point. As I said at the outset, to me, this Bill has been welcomed by all sides of this House. We are today introducing, Mr Deputy Speaker, Sir, another instrument to promote the development of our country as a financial hub. I have expressed certain qualms in the spirit to better the legislation in the interest of the country, Mr Deputy Speaker, Sir. What I hope also is that this Bill has been the subject of consultation with stakeholders. I did not hear the hon. Minister saying that, but I wish this has been the case and, as patriots, Mr Deputy Speaker, Sir, we wish good luck to this new mechanism and we wish good luck to our country.

I have done. Thank you.

*(Interruptions)*

**The Deputy Speaker:** Hon. Minister of Finance and Economic Development!

(7.37 p.m.)

**Mr Jugnauth:** Mr Deputy Speaker, Sir, first of all, I would like to thank all the Members of the House who have participated in the debate on the Limited Liability

Partnerships Bill. I should say that the overall response has been very positive and I am happy to see that there is general consensus in the House with regard to this Bill. It is agreed by one and all that the Bill will bring a plus factor to the financial services sector, to companies operating in various other sectors of the economy, in trying to attract foreign investments and to the economy at large. It is also another entity where professionals can structure their business, their profession, their activities with the advantages that are contained in the Bill.

Let me now address some remarks, concerns and proposals that have been made by some Members and I must comment on the intervention of hon. Ganoo. I have listened to him very carefully, and I will make a general remark. He started by saying that we have not been flexible enough because we have imposed a number of obligations on the partners in the limited partnership. Then, in the second part of his speech, he says that there are a number of omissions; we should have done this, we should have imposed this. To me, it is contradictory. Either we are flexible or we are not!

But the whole purpose of introducing this new instrument is because we want to have flexibility. It was intended that it was not going to be a rigid structure because otherwise - and I will respond to some comments that have been made -, for example, as hon. Uteem has said, we should apply a number of provisions with regard to the Companies Act. But, then, it would not be a limited liability partnership anymore! Then, why would it serve the purpose of introducing this new instrument? The whole idea or philosophy - and it is not that we are inventing anything. It is because we have learnt from the experience of other countries and I must say this, because I think hon. Uteem and hon. Ganoo have said why is it that we have not - I think hon. Ganoo said this - done this with the same provisions as obtained in another country. Well, because we are trying to adapt it to the local context and, of course, I am not saying that it is something that is perfect right now, but this is the starting point. With time, with experience, then if need be, certain provisions obviously will have to be reviewed; certain things will have to be reconsidered. It has been said why is it that we have legislated so that it applied to all professionals, but it will depend on those professionals who would want to take the opportunity to structure their business, their activity as an LLP.

The other issue that was raised was section 53. What if a partner withdraws money or asset when he transfers the asset, when he knows fully well that the partnership has debts or maybe will fail? But again, it has been said why is it that we have not incorporated a number of sections to cater for such situations. Mr Deputy Speaker, Sir, we know that there are so

many legislations. For example, if our Criminal Code, with regard to any criminal activity or our Civil Code, as has been mentioned by hon. Mrs Selvon, Article 13(82) with regard to *faute*. Whenever there is any situation that arises that will warrant to be any claim whether it is for damages, for faults, for negligence or whether it is an offence which has been committed under the Criminal Code, the law will follow. There are provisions. There is no need, of course, to incorporate those same provisions into this Bill. And anybody who does something knowing that there is a debt, and trying to circumvent it and especially commit a criminal offence, it will be for the investigation first to determine whether somebody should be taken before a Court of law or should be prosecuted. We know that it will be for our judiciary to decide on such thing.

Now, mention was also made with regard to section 54, the issue of ranking of creditors, but again, I would say we have provided for who, in the first place, must be given due consideration. It is in the same way like a company. If there are sufficient provisions to reimburse the first rank, second rank, third rank, it will go on like this. If there are no sufficient funds, well, some will be left without any money. Unfortunately, this is the reality.

Another issue was raised that the Bill has not been circulated for comments from stakeholders. Now, I'll say that, in fact, the Bill was prepared when hon. Xavier-Luc Duval was Minister of Finance. Unfortunately, the Bill was not brought to Parliament. It was there. In fact, the Bill has been worked out also by my colleague, hon. Minister Bhadain, and I must say I have been so lucky to have had their inputs and, today, the Bill has come before this House, but it has been circulated to the stakeholders and to the industry since 2012. In fact, I am informed that a working document on the draft legislative proposals was prepared by the Financial Services Commission and was circulated for views and comments and the Bill was finalised also in the light of the comments that have been received. Also when I had to review the Bill, I must say that nothing much has been changed with regard to the original draft, but again, we consulted my colleagues, the Financial Services Commission, the stakeholders, the Registrar, we did the same exercise again. Of course, we could not have consulted everybody, but representatives of the stakeholders gave again their inputs and views and, therefore, it is not correct to say that it has not been sufficiently aired for comments to be made.

Talking about the Insolvency Act which does not apply, this is not correct again because if we look at clause 48, it clearly mentions that –



“The Insolvency Act shall apply to a limited liability partnership with such modifications, adaptations and exceptions as may be necessary to bring them in conformity with this Act.”

Again, another issue that was raised in case of conversion of a company to a LLP, it has been said that no provision has been made in the Bill to cater for transfer of employees and where a shareholder does not agree to the terms. Now, the partnership agreement will have to define the terms and conditions of the conversion. Not only that, because an employee cannot remain in void, therefore, there is definitely going to be provisions that would be agreed upon in order to cater for the situation of an employee. In addition, there would be also practice direction that can be issued by the Registrar.

An hon. Member has raised the issue of no provision has been made in the Bill for partners insurance. Well, again, that would be left to each partner in the LLP to bear its own responsibility and if he chooses to be covered by a personal insurance policy that would be up to that individual.

Another hon. Member has talked about the difference between the company and the LLP. Just to correct maybe one thing that hon. Fowdar said, the company, in fact, is not taxed twice. It is taxed through the corporate tax, but there is no tax on dividend. If the directors are getting any revenue, they have to declare it as income and then they will be subjected to income tax. With regard to dividend, there is no tax. Hon. Ganoo said that it is not clear whether LLP is taxed or not. LLP clearly is not taxed. The partners are taxed, whatever revenue they will derive from the LLP, they will be subjected to income tax.

Hon. Rughoobur mentioned whether an LLP can participate in a procurement exercise. Well, if there is any expression of interest, if there is any tender, any exercise with regard to recruitment of a consultant or a particular expertise, of course, an LLP can participate because an LLP is a legal entity just like any other personality. Yes, it has been said with regard to the burden of having a Manager. Again, let me say that the partnership agreement can designate, in fact, a partner to do those extra duties because, for example, if he is a lawyer, he can act as a Legal Secretary. At any rate, maybe I would refer hon. Members to Section 38 (2) which says that -

“Notwithstanding subsection (1), the manager of a limited liability partnership holding a Category 1 Global Business Licence shall be a corporation holding a management licence referred to in section 77 of the Financial Services Act”.

The issue of restoration of the LLP follows the same procedures as the Limited Partnership as under the Limited Partnerships Act. Now, it has been said also that the issue of foreign source of revenue is to be exempted from tax. I must say that this is another debate altogether. I will just mention one thing, Mr Deputy Speaker, Sir, so as not to enlarge the debate; we have to be very careful on what is going on right now; the changes that are going on with regard to taxation. For example, in Brussels, the European Union, they are coming up now with a list where they are going to categorise every country whether it is going to be on the black list or on the white list. And I must say that they have strongly objected to the practice that we have here with regard to the offshore sector where the rate of taxation - because we have a team tax credit - is lower than our local taxation and they take strong objection to that. In fact, this is something that worries us because we have discussed with the stakeholders, and obviously, if we don't want to end up on a black list, we will have to make certain changes. Therefore, I don't want to go into the issue of BEPS, for example. We have joined the working group and we need to be very careful because, again, there are going to be very fundamental changes with regard to fiscal policies. So I can say that, right now, one has to be very careful and one has to see to it that we engage with those institutions: the European Union, the OECD so that we can try to, as much as we can, protect the interest of Mauritius.

Maybe lastly, there is the issue of whether we can address a number of issues in the future. I will only say maybe three things. First of all, there is section 8 where practice directions, I had mentioned, can be given by the Registrar of Companies, and there is also section 68 where Regulations can be made by the Minister. Now, as has been mentioned, provisions have been made for the coming into operation of different provisions of the Bill. So, we will have to see, once the Bill is voted, which provision will come into effect first because they can be effective on different dates.

So, let me conclude by saying that I am happy that generally all hon. Members who have intervened, have pointed out the advantages of introducing this new instrument and, of course, let us all work towards making this instrument a vehicle for attracting, not only professionals, but facilitating further investment for our country. Thank you.

*Question put and agreed to.*

*Bill read a second time and committed.*

## COMMITTEE STAGE

*(The Deputy Speaker in the Chair)*

*The Limited Liability Partnerships Bill (No. XXIII) was considered and agreed to.*

*On the Assembly resuming with the Deputy Speaker in the Chair, the Deputy Speaker reported accordingly.*

### *Third Reading*

*On motion made and seconded, the Limited Liability Partnerships Bill (No. XXIII) was read the third time and passed.*

## ADJOURNMENT

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** Mr Deputy Speaker, Sir, I beg to move that this Assembly do now adjourn to Wednesday 30 November 2016 at 11.30 a.m.

**Mr Bodha rose and seconded.**

*Question put and agreed to.*

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

Hon. Members, before the Adjournment matter, I have to report that there are seven Members who wish to speak and there are only 30 minutes allocated. I would, therefore, ask you to be very short in your question and I ask the hon. Ministers to be very short as well. I would suggest a maximum of two minutes for a question and two minutes for an answer per Member. Thank you.

## MATTERS RAISED

(8.02 p.m.)

### HOTELS - TAXI INFORMATION DESK

**Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière):** Two minutes is too short, Mr Deputy Speaker, Sir. Mr Deputy Speaker, Sir, my question is addressed to the Deputy Prime Minister who is, unfortunately, not here and also to the Minister of Public Infrastructure. *Je vais faire le porte-parole* of the Federation of the Hotels Taxis Association who is still complaining about the non-implementation of measures announced by Government.

They asked me to ask the following questions: why are several hotels such as Veranda Resorts, Latitude Hotels Group, resorts like Hilton, Sugar Beach, Sands Resorts, Pearle Beach, Victoria, Solana Beach and others have not implemented yet the taxi information desk and what action has been taken against these hotels? They are also complaining about the taxi desk where they have not been given an appropriate place to serve its purpose. Some hotels like La Pirogue Group and others are claiming rental from taxi drivers. They are complaining about that and also, up to now, there has not been any regulation concerning the measures taken by Government.

The Federation of Hotels Taxis Association is still complaining about the contract cars whose drivers and outside base taxis are getting access to hotels to pick guests for excursions. They have written to the Tourism Authority. The question has been raised in the National Assembly here, some time back, by my colleague, hon. Rughoobur. I would have wished if the hon. Deputy Prime Minister and the Minister of Public Infrastructure could look into this urgent problem and make a statement to the House.

**The Minister of Public Infrastructure and Land Transport (Mr N. Bodha):** Mr Deputy Speaker, Sir, we had a Committee which was chaired by the Deputy Prime Minister and we had a number of measures which had been taken. Some have been implemented and we are going to raise the matter with my colleague to see whether we could expedite all the measures which have not yet been implemented so far.

### **TRANQUEBAR – SQUATTERS – RELOCATION**

**Mr R. Uteem (First Member for Port Louis South & Port Louis Central):** Mr Deputy Speaker, Sir, I would like to follow up on a matter that I raised two weeks ago at Adjournment time relating to the inhabitants of Tranquebar who are being relocated to Pointe aux Sables. There are 82 families concerned. They have been informed that they have to pay Rs5,000 by the end of this week, otherwise, they would not get a house and, therefore, they have made a petition which I am going to table to ask whether they can be exempted from this amount of Rs5,000 because they are poor people and if they cannot be exempted, at least, if they can be given time to pay this sum. But when I looked at the answer given by the hon. Vice-Prime Minister, at Adjournment time, he did not speak about Rs5,000. In fact, he spoke about –

“It is to be noted that the beneficiaries deriving income of Rs10,000 or more will have to pay Rs251,000 and those deriving less than Rs10,000 will have to pay Rs225,000 for one unit.”

These people who are squatters, are really poor and do not have any means. They are very concerned about whether they are going to be asked to pay Rs225,000 or more for these units. So, if we can get some clarifications from the hon. Vice-Prime Minister.

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** Mr Deputy Speaker, Sir, according to the criteria and the law that exists for the NHDC, any person who applies for an NHDC unit has to, at least, pay 10%. What the hon. Member said is right, that is, Rs225,000 and Rs200,000. So, I am going to insist, now, that they are going to pay Rs10,000. There is not any consensus to be made to anybody. The fact that there is a petition, I can promise that we are going to insist on that 10%. Until and unless they pay, they are not going to be transferred. This is our decision.

#### **ICTA – LEGAL ADVISERS - PAYMENT**

**Mr V. Baloomoody (Third Member for GRNW & Port Louis West):** Mr Deputy Speaker, my question is addressed to the Rt. hon. Prime Minister, but I take it that one of the two Vice-Prime Ministers will refer it to the Rt. hon. Prime Minister.

The issue is urgent because we are talking about public funds which are being distributed left, right and centre at the ICTA. My intervention will be shorter because this morning the Rt. hon. Prime Minister stated that the ICTA president is not going forward. He has disallowed the ICTA president from going forward to buy a car with security and to have a driver with a special allowance. Now, what we are having, is an abuse by the president himself, the outgoing Chairperson. Since the Rt. hon. Prime Minister has informed the House that he is going to be thrown out, he is putting pressure on all the professionals who are working there, specially the financial department, to issue cheque, not in hundreds, not in thousands, but in millions, to legal advisers, without any VAT invoice. When that professional refused to sign the cheque, the Board ...

*(Interruptions)*

You are talking about *la Police!* Let me speak!

**The Deputy Speaker:** Hon. Baloomoody, there is very little time, please!

*(Interruptions)*

**Mr Baloomoody:** When the professional refused to sign the cheque of millions of rupees last week, they decided to appoint a junior officer to sign the cheque. So, the matter is urgent because we are talking about millions of rupees which are going to legal advisers - I would not mention the name – without any VAT invoice and without even cases. It is an advance payment of cases which will be entered. And we are talking about millions of rupees! So, I am asking the Rt. hon. Prime Minister to intervene urgently. We have had our lessons with Rs19 m. or Rs23 m. with another lawyer. Before more money is being thrown out for legal advisers, urgent actions should be taken and the Chairman be revoked tomorrow morning, as early as possible.

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** Mr Deputy Speaker, Sir, the Rt. hon. Prime Minister has already answered to this question. I am sure that he has taken all the information that he had at hand and he is going to act according to his information.

(9.09 p.m.)

## **SECONDARY SCHOOLS – ADMISSION**

**Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East):** Tonight, I shall address an issue to the hon. Minister of Education and Human Resources, Tertiary Education and Scientific Research. It is in relation to the admission of pupils in Form I for secondary schools.

As she is aware, this is scheduled for Monday 12 December and this coincides with the celebration of Yaum Un Nabi. So, I will ask the hon. Minister if this admission can be extended until Tuesday for those parents who have not been able to admit their children to the schools on the 12<sup>th</sup> could do so the next day. Thank you.

**The Minister of Education and Human Resources, Tertiary Education and Scientific Research (Mrs L. D. Dookun-Luchoomun):** Mr Deputy Speaker, Sir, I have been informed about this and the Ministry is taking care of the issue. We will look into the matter and needful will be done.

(8.10 p.m.)

## **TRANQUEBAR – SQUATTERS RELOCATION - DEPOSIT**

**Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central):** Mr Deputy Speaker, Sir, I would like to have a few words with hon. Soodhun with respect to

the 82 squatters at Tranquebar. I know he is very upset. I know that for the Managing Director, it is common practice to pay a 10% deposit. That's for sure. The hon. Vice-Prime Minister has been kind enough to extend to Rs10,000 and following discussions, he has agreed to lower it down to Rs5,000, I reckon with this fact. So, will he, please, not backpedal on this decision because 82 families are waiting for their keys. This morning, I have spoken to hon. Soodhun. We have agreed that the keys would be delivered on 01 September and people are highly hoping for these keys and I hope we do not go back to Rs10,000, sincerely!

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** Mr Deputy Speaker, Sir, I am going to maintain my decision. I just want to remind the hon. Member that we had one person living in a social welfare at Bambous and he has paid 10%. Two years he stayed there and he wants to get a house of NHDC.

So, also, with due respect to my good friend, the elected Member of this constituency wants it, so it is true to say that on 01 December it will be prepared that we are going to insist that the 10 per cent be paid. That's all.

**The Deputy Speaker:** We will come back to the hon. Member, he is on the list.

*(Interruptions)*

Yes, but you have chosen this issue. Hon. Dr. Sorefan! He is not here. Hon. Tarolah!

## **EASTERN REGION – WATER SUPPLY**

**Mr K. Tarolah (Third Member for Montagne Blanche & GRSE):** Thank you, Mr Deputy Speaker, Sir. Today I wish to bring to the attention of the House the issue regarding drinking water in the eastern region particularly Bramsthan, Ecroignard, Bel Air up to Trou d'Eau Douce. We all know that having no water has devastating effects both on individuals and communities. Those villagers have been facing water crisis over the years, at times, they don't get water on 24 hours seven days on the row. We are very well conscious about the fact that nothing had been done by the previous regime to tackle this issue and, at the same time, we are all aware that lots are being done nowadays and due consideration is being given by our Vice-Prime Minister, Minister of Energy and Public Utilities.

Mr Deputy Speaker, Sir, access to drinking water is recognised to be above all a question of public and domestic health. Acute problem of water is creating a lot of discomfort to the villagers. We have to supply more water to people while using the same capacities while waiting for new infrastructure to be built. At this time of water crisis, it is crucial to

extend the existing services. I am making a humble request to the Vice-Prime Minister, Minister of Energy and Public Utilities, hon. Ivan Collendavelloo, to find a solution to have continuous water supply at peak hours, at least. I am convinced that working hand in hand with local authorities and all stakeholders can implement innovative, sustainable and equitable solution that can meet people's expectation and needs. I also make an appeal to the hon. Vice-Prime Minister that water be distributed by lorries if possible to the villagers on a daily basis at this moment. Thank you for your attention.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo):** Mr Deputy Speaker, Sir, I have, of course, considerable sympathy with all those who are being afflicted by the current drought. With regard to Flacq we have noted that the boreholes and the rivers have reached 50 per cent of their normal level as at to date. That is a dramatic situation. Therefore, we have no alternative, but to ration water with new hours of supply. Moreover, we are expecting a late summer rain so that we are going to have a drought and the Met Services have informed us of that situation. What we are doing for the East is that we are keeping a borehole of Caroline on standby. We will have to be a little bit careful on the use of our water. That borehole in Caroline will be put in if a real dire situation arises. I am afraid the prospects cannot be said to be otherwise, but bleak.

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

#### **RESIDENCE KENNEDY – CANDOS HOSPITAL – WASTE DISPOSAL**

**Mr A. Ganoo (First Member for Savanne & Black River):** Mr Deputy Speaker, Sir, I wish to raise an issue of environmental pollution caused by the disposal of the waste at PMOC Hospital, Candos Hospital, which is causing a lot of inconvenience and distress, discomfort to the inhabitants of Cité Kennedy or Residence Kennedy. I make an appeal to the hon. Minister, I am sure he has received complaints from associations of that area. May I ask him if he could see to it that measures are taken to put an end to this situation in view of the fact that, from time to time, this problem crops up and years ago the same complaint was made by the inhabitants. I suppose the needful was done, but recently again this pollution has started to cause a lot of embarrassment to the inhabitants.

**The Minister of Civil Service and Administrative Reforms, Minister of Environment, Sustainable Development, and Disaster and Beach Management (Mr A. Wong Yen Cheong):** Mr Deputy Speaker, Sir, I believe there was a Parliamentary Question, but anyway I will look again into the matter. I know that they are already doing something at



the hospital level. In fact, at our Ministry we never received any complaint from any organisation. There was one person who called, but never left his name. The officers went and looked into it and we informed the Ministry and the hospital. They are doing the needful and I hope they will do it. Thank you.

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

### **QUANTITY SURVEYORS – BUDGET PROVISION - TRAINEESHIP**

**Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central):**

Mr Deputy Speaker, Sir, this was my original subject actually. It is a Press article written by a fresh Quantity Surveyor addressed to the hon. Minister of Finance and Economic Development – ‘*pourquoi une mesure discriminatoire envers les Quantity Surveyors*’ more specifically it refers to the budgetary measure to recruit 200 trainee engineers, but nothing catered for them. So, I am going to table the letter to the attention of the hon. Minister so that something can be done for them in the course of time because many of them are facing difficulties to get a job after having invested so much in their studies. Thank you.

**The Minister of Finance and Economic Development (Mr P. Jugnauth):** Mr Deputy Speaker, Sir, I have not looked at the contents of this letter, but I believe it must be about traineeship. Therefore, I believe that there is a Council for Surveyors which falls under the responsibility of my colleague the Minister of Public Infrastructure and Land Transport, hon. Bodha. Of course, we will discuss and see what can be done. But I must say that doing for one category of professionals does not mean to say automatically that we are discriminating against others because we need to provide funds for this and as much as we can provide funds for traineeship. Of course we will look at it. We take note and we will consider.

*At 8.18 p.m., the Assembly was, on its rising, adjourned to Wednesday 30 November 2016 at 11.30 a.m.*

## **WRITTEN ANSWERS TO QUESTIONS**

### **DIPLOMATIC PASSPORT – ISSUE**

**(No. B/1019) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)**

asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the diplomatic passport, he will –

- (a) give a list of the categories of persons eligible to be issued therewith, indicating Government policy in case a holder thereof is charged with an offence before court, indicating since when the said policy is effective, and
- (b) state the number thereof issued as at to date and which are presently valid.

**Reply:** The Passports Regulations 1969 define the “Diplomatic Passport” as a passport issued to a citizen of Mauritius for the purpose of attending an official mission, either special or otherwise, on behalf of the Government of Mauritius.

In regard to part (a) of the question, I am tabling a list of the categories of persons who are eligible to obtain a Mauritius Diplomatic Passport. Upon application to my Office, the holders of such diplomatic passports are granted the privilege to use same each time when they travel overseas on mission. On their return from overseas mission, they have to surrender their diplomatic passports to the Passport and Immigration Office, with the exception of some persons who are allowed to keep their diplomatic passports in their custody. A list of these persons is also being tabled.

In case a holder of a diplomatic passport is charged with an offence before Court, and there is no such court order prohibiting that person to leave the country, the diplomatic passport may be released to that person if he/she undertakes an official mission abroad on behalf of Government, subject to the approval of my Office. In case, there is a prohibition order against the holder of a diplomatic passport, the person should apply and obtain a variation order from the court prior to the release of his/her passport to enable him/her to travel overseas.

I wish to inform the House that strict control is exercised for the release of diplomatic passports for travelling abroad to prevent any abuse.

In regard to part (b) of the question, I am informed by the Passport and Immigration Office that presently there are 612 diplomatic passports which are valid.

## **FREEDOM OF INFORMATION BILL - INTRODUCTION**

**(No. B/1020) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the proposed introduction of a Freedom of Information Bill, he will state where matters stand.

**Reply:** In my reply to Parliamentary Question No. B/103 on 05 April 2016, I stated that drafting instructions were given to the Attorney-General's Office for the preparation of the Freedom of Information Bill.

I now wish to inform the House that the Attorney-General's Office has already submitted a first working draft of the Freedom of Information Bill and this is being looked into at the level of my Office.

I wish to reiterate again that all stakeholders will be consulted prior to the introduction of the Bill in the National Assembly.

### **LA BASTILLE PRISON - RENOVATION**

**(No. B/1021) Mr K. Ramano (Third Member for Belle Rose & Quatre Bornes)** asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to La Bastille Prison, he will, for the benefit of the House, obtain from the Commissioner of Prisons, information as to –

- (a) if it is operational;
- (b) the number of officers presently posted thereat, and
- (c) if the renovation thereof is envisaged?

**Reply:** I am informed by the Commissioner of Prisons that the Phoenix High Security Prison known as La Bastille has ceased its operation since 28 May 2014 following the transfer of detainees to the Eastern High Security Prison (Melrose Prison).

In regard to part (b) of the question, the Commissioner of Prisons has informed that during the day, one Prison Officer and during the night two Prison Officers, from the Prisons Security Squad, are posted at the Main Gate of La Bastille Prison for guarding duties only as some prisons equipment are still kept thereat.

As regards part (c) of the question, I am informed that administrative procedures are being completed for the vesting of La Bastille Prison in the Police Department. In the meantime, the Police has already conducted a complete survey of the building with a view to converting it into a Detention Centre. The scope of work is being finalised with a view to initiating tender procedures.

### **POLICE OFFICERS - INTERDICTION**

**(No. B/1022) Mr K. Ramano (Third Member for Belle Rose & Quatre Bornes)** asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues

and National Development Unit whether, in regard to the Police Officers, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number thereof who are presently interdicted, indicating the –

- (a) total amount of money presently being spent in terms of salary in respect thereof, and
- (b) number thereof against whom –
  - (i) provisional and formal charges respectively have been lodged, and
  - (ii) no charge has been lodged.

**Reply:** I wish to refer the hon. Member to my reply to Parliamentary Question No. B/833 at the sitting of the National Assembly on 09 August 2016.

I am informed by the Commissioner of Police that there are 176 Police Officers who are under interdiction from exercise of their duties as at 25 November 2016.

In regard to part (a) of the question, an amount of Rs4,437,800 is paid monthly as salary to these interdicted Police Officers.

In regard to part (b) (i) of the question, provisional charges have been lodged against 67 Police Officers under interdiction, whilst formal charges have been lodged against 109.

Regarding part (b) (ii) of the question, there is no interdicted Police Officer against whom no charge has been lodged.

In reply to supplementary questions to Parliamentary Question No. B/833, I expressed concern regarding the number of Police Officers interdicted who were drawing their full salary, without providing any service. Subsequently, on 14 September 2016, the Ministry of Civil Service and Administrative Reforms issued a circular letter to all Ministries and Departments informing, *inter-alia*, that according to legal advice received from the Attorney General's Office, it is in order to recall officers from interdiction on a case to case basis under certain conditions.

Following this circular, the Human Resource Section of the Police has reviewed each and every case of interdiction at the level of the Police. Taking into consideration the nature of charges levelled against each one of the interdicted Police Officers, the Commissioner of Police has, on 28 November 2016, recommended to the Disciplined Forces Service Commission, the recalling of 41 out of the 176 interdicted Police Officers.

## **PRISONERS (FOREIGN) - REPATRIATION**

**(No. B/1023) Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the foreign prisoners who are presently serving sentences in our prisons, he will, for the benefit of the House, obtain from the Commissioner of Prisons, information as to the number thereof, indicating if actions have been taken for the repatriation thereof in their country of origin for them to serve their respective sentence thereat.

**Reply:** The transfer of prisoners is governed by the Transfer of Prisoners Act 2001. The transfer of prisoners to their native countries may be effected as follows -

- (a) between countries which are party to the Strasbourg Convention on the Transfer of Sentenced Persons, by virtue of the Transfer of Prisoners (Convention) Regulations 2005;
- (b) between Commonwealth Countries under the Transfer of Prisoners (Commonwealth Countries) Regulations; or
- (c) by way of a bilateral agreement between Mauritius and another country.

I am informed by the Commissioner of Prisons that as at 01 January 2016, there were 141 foreign detainees serving sentences in our Prisons. Out of this number, there were 76 convicted and 65 remand detainees. During the course of the year, 12 foreign detainees were transferred to their country of origin to serve their remaining sentence. In addition, 12 Somalian pirates were repatriated following their release upon completion of their sentence.

At present, there are one hundred and ten (110) foreign detainees in our Prisons, out of whom 61 are convicted and 49 are on remand.

On 15 April 2016, Government adopted a new policy regarding the transfer of prisoners, whereby requests for transfer of foreign detainees undergoing sentences in our prisons for drug related offences would be entertained only after they have served two-thirds of their sentence in Mauritius. The policy became effective on 01 August 2016 with the making of the Transfer of Prisoners (Conditions for Transfer) (Miscellaneous Regulations) 2016.

As at date, there are 29 detainees who have made requests for their transfer to their country of origin. Of these, 15 requests have been referred to their respective countries

through the Ministry of Foreign Affairs, Regional Integration and International Trade and the response of those countries is awaited. The other requests are under process.

#### **REUNION ISLAND – MAURITIAN NATIONALS - ARREST**

**(No. B/1024) Mr E. Jhuboo (Third Member for Savanne and Black River)** asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the arrest of Mauritian nationals in Ste Rose, in Réunion Island, in connection with the recent seizure of drugs thereat, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of persons who have been interrogated in relation thereto.

*(Withdrawn)*

#### **BAIN DES DAMES – INHABITANTS - REPRESENTATIONS**

**(No. B/1025) Mrs D. Selvon (Second Member for GRNW & Port Louis West)** asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, he will state if his Office is in presence of a letter dated 11 November 2016 emanating from the *Regrupma Travayer Socyal* and bearing the signatures of some inhabitants of Bain des Dames, in Port Louis, protesting against the continuous hammering of a heavy compacter deep underground in the vicinity of several occupied houses and which have damaged the pillars of three farm tanks and several houses and, if so, indicate the actions taken in relation thereto, if any.

**Reply** (Vice-Prime Minister, Minister of Energy and Public Utilities): I am informed that the Prime Minister's Office received a letter from *Regrupma Travayer Socyal* dated 11 November 2016, which was addressed to the Central Electricity Board and several other persons and institutions. A copy of the letter is attached hereto.

The works referred to, that is the alleged “continuous hammering of a heavy compacter deep under the ground”, but in reality pounding works, started in July 2016 and were completed on 16 September 2016.

I am informed that following representations from some residents, on 12 August 2016, the CEB had a first meeting with the representatives of the residents. The CEB informed them that it would engage an independent civil engineering consultant to carry out a survey and report on any

possible impact of the works and that, in the event that it were established that the works had caused damage to property, to make an assessment of such damage. However, the representative refused to grant access to the houses for the assessment.

On 25 October 2016, the CEB had a second meeting on site and reiterated its intention to carry out the survey.

The CEB is currently evaluating offers for the appointment of an independent consultant and the assessment is expected to start in December 2016. The exercise will be coordinated by a Public Relations Consultant who is being appointed separately.

### **POSTAL PACKETS – DRUGS SEIZURE**

**(No. B/1026) Mrs D. Selvon (Second Member for GRNW & Port Louis West)** asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to postal packets containing drugs, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number thereof intercepted in Mauritius since January 2016 to date, indicating the –

- (a) estimated value of the drugs seized, and
- (b) number of –
  - (i) arrests effected in connection therewith, and
  - (ii) outcome of the inquiries carried out thereinto.

**Reply:** I am informed by the Commissioner of Police that since January 2016 to 24 November 2016, 34 four postal packets containing drugs have been intercepted in Mauritius by officers of the Mauritius Revenue Authority and ADSU.

In regard to part (a) of the question, I am informed that the total value of the drugs seized has been estimated to be around Rs103.5 m.

As regards parts (b) (i) and (ii) of the question, I am informed by the Commissioner of Police that, so far, nine persons have been arrested and enquiries in all the cases are ongoing.

### **MINISTERS & OFFICIALS – OVERSEAS VISITS – FINANCING**

**(No. B/1027) Mrs D. Selvon (Second Member for GRNW & Port Louis West)** asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, he will state if it is Government policy to accept the financing by foreign States of official overseas visits undertaken by Ministers and officials and, if so, indicate the diplomatic and ethical rules applicable therefor.

**Reply:** As per established practice, when a dignitary is invited for an official visit, the host country extends the usual courtesies and hospitality. Such courtesies and hospitality offered by the host country can be either full or partial. The Government of Mauritius also offers hospitality to visiting dignitaries and officials. In fact, invitations extended to dignitaries and officials constitute an important part of inter-States relations.

However, such sponsorships by foreign countries are accepted only if they further the interest of the Government and are in line with our foreign policy.

Funding for overseas missions for Ministers and other officials are, very often, extended by development partners and international and regional organizations in which Mauritius is a contributing member or by friendly countries under specific programmes. Such sponsorships are often extended to Mauritius for training and capacity building. Nominations should however comply with our financial rules and procedures as set out in circulars issued by the Ministry of Finance. Personal invitations addressed to and accepted by local officials are normally attended at no cost to the Government.

## **DECLARATION OF ASSETS BILL - INTRODUCTION**

**(No. B/1028) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the proposed introduction of the new Declaration of Assets Bill, he will state if the Ministerial Committee appointed to look thereinto has completed its assignment and, if so, indicate if –

- (a) the Attorney General's Office has been requested to submit a draft thereof;
- (b) it is proposed to require the Chief Executive Officers and Chairperson of Boards of parastatal and of Government funded companies to declare their assets, and
- (c) consideration will be given for the advisability of requesting hon. Members of the National Assembly to table copy of their declaration of assets pending the adoption thereof in the House.

**Reply:** As I stated in my reply to Parliamentary Question No. B/148 of the sitting of 12 April 2016, a Ministerial Committee is currently examining the different aspects of a new declaration of assets regime.



I am informed that in view of the complexity of the exercise, the Ministerial Committee will need more time to complete its assignment. Drafting instructions will be conveyed to the Attorney-General's Office as soon as the exercise is completed.

In regard to part (b) of the question, the Ministerial Committee will equally examine the advisability of requiring Chief Executive Officers and Chairpersons of Boards of parastatal and Government-owned Companies to declare their assets.

As regards part (c) of the question, section 3 of the Declaration of Assets Act provides that every Member of the National Assembly shall deposit with the ICAC, a declaration of assets and liabilities in relation to himself, his spouse and minor children and grandchildren.

Regarding disclosure of the declaration, the Declaration of Assets Act 1991 provided, under section 5, that on receipt of a declaration, the Clerk of the Assembly shall, in accordance with such directions as the Speaker may give, cause such declaration to be laid before the Assembly. However, section 5 of the Act was repealed in 2011. There is therefore no mandatory public disclosure of assets declaration at present.

Nevertheless, hon. Members who are willing to disclose their declaration of assets, are free to do so pending the enactment of the new Law on assets declaration.

### **POLICE FORCE – POLICE SYNDICATE**

**(No. B/1029) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Mauritius Police Force, he will state if consideration will be given for proposed amendments to be introduced to the Public Bodies Appeal Tribunal Act to allow Police Officers aggrieved by any issue regarding promotion or discipline to refer their grievances thereto pending the adoption of a Bill allowing the setting up of the Police Syndicate.

**Reply:** As the House is aware, the Police (Membership of Trade Union) Bill, which will allow members of the Police Force to unionise, is already on the Order Paper for today's sitting and is being introduced with a certificate of urgency.

In any case, on ground of public interest, Government does not propose to bring the Disciplined Forces Service Commission under the jurisdiction of the Public Bodies Appeal Tribunal Act.

## **NATIONAL COAST GUARD – BOATS INTERCEPTION**

**(No. B/1030) Mr G. Lesjongard (Second Member for Savanne & Black River)**

asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the National Coast Guard, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of times it has controlled and intercepted suspicious boats off the west coast of Mauritius since January 2016 to date, indicating if such controls have yielded results with regard to drug trafficking.

**Reply:** I shall reply to Parliamentary Questions No. B/1030 and No. B/1031 together as they relate to the same issue.

I am informed by the Commissioner of Police that from January to 24 November 2016, the National Coast Guard has controlled 1163 boats at night around Mauritius.

I am also informed that during the same period, the National Coast Guard has controlled and intercepted 3102 boats off the West Coast of Mauritius during day and night. No drug trafficking offence had been detected in any one of them during these controls.

However, following the arrest of Mauritian nationals in Reunion Island in connection with the recent seizure of drugs thereat, additional preventive measures have been taken by the Police as follows -

- (i) reinforcement of the manpower of the National Coast Guard Western Area;
- (ii) National Coast Guard's personnel are temporarily attached to the Anti-Drugs Smuggling Unit for carrying out joint operations, training and sharing of intelligence on a rotational basis, and
- (iii) reinforced presence on ground by more frequent patrols.

Furthermore, as already stated in reply to Parliamentary Question No. B/890 of the sitting of 15 November 2016 and Private Notice Question of 22 November 2016, the surveillance systems is being reinforced by equipping the Police with state-of-the-art equipment and technology to counter the attempt to introduce drugs in Mauritius. The recent acquisition of Fast Interceptor Boats and patrol vessels are just a few examples.

## **NATIONAL COAST GUARD – BOATS CONTROL**

**(No. B/1031) Mr G. Lesjongard (Second Member for Savanne & Black River)**

asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the National Coast Guard,

he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of boats it has controlled at night around Mauritius, since January 2016 to date.

*(Vide reply to P.Q. No. B/1030)*

### **CITIZENS ADVICE BUREAU - SERVICES**

**(No. B/1032) Mr D. Sesunghur (First Member for Montagne Blanche & GRSE)** asked the Rt hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the National Development Unit, he will state –

- (a) the number of Citizens Advice Bureau it operates, indicating the –
  - (i) number of officers attached thereto;
  - (ii) services provided thereat;
  - (iii) operation cost thereof in respect of the year 2016/17, and
  - (iv) if an overall assessment of the performance thereof had been carried out in the past and
- (b) if a reorganisation thereof is envisaged.

**Reply:** Thirty-five Citizens Advice Bureaux are operational in Mauritius and one in Rodrigues.

With regard to part (a) of the question, a total of 100 staff comprising one CAB Coordinator, 31 CAB Organisers, 18 Word Processing Operators, 28 Office Auxiliaries and 22 General Workers are serving the Citizens Advice Bureaux.

With regard to part (b) of the question, the main services being provided are -

- Assistance and guidance to members of the public on facilities extended by Government Organisations;
- Serving as a forum for co-operation and collaboration between NGOs and stakeholders to promote development in regions;
- Organisation of sensitisation campaigns on pertinent themes based on prevailing needs and other emerging issues to create a well-informed society oriented towards development;
- Registering complaints from members of the public and liaising with relevant authorities, and

- Serving as a platform for interaction with citizens to gauge their needs about development.

With regard to part (c) of the question, an amount of Rs54 m. has been earmarked as operation cost for the Citizens Advice Bureaux for the financial year 2016/2017.

With regard to part (d) of the question, the Internal Control Unit carried out an audit of the performance of the Citizens Advice Bureaux in 2016 and have submitted a draft report.

With regard to part (e) of the question, the observations and recommendations made by the Internal Control Unit in their draft report is under consideration at present. Furthermore, the NDU will organise a workshop to seek the views and proposals of all relevant stakeholders including representatives of various NGOs through the Mauritius Council of Social Service.

Based on the outcome of the workshop and the final recommendations made by the Internal Control Unit, the NDU will come up with policies and an action plan to revamp the Citizens Advice Bureaux.

#### **PLAINE MAGNIEN – MARKET FAIR - CONSTRUCTION**

**(No. B/1055) Mr P. Jhugroo (Second Member for Mahebourg and Plaine Magnien)** asked the Minister of Local Government whether, in regard to the proposed construction of a new and modern market fair at Plaine Magnien, he will state where matters stand, indicating the expected start and completion dates thereof.

**Reply:** I am informed by the District Council of Grand Port that there is no proposal to construct a new and modern market fair at Plaine Magnien. In fact, there is a proposal to cover the existing open market fair at La Baraque Road, Plaine Magnien.

On 21 June 2016, my Ministry was requested by the National Development Unit to approach the Ministry of Finance and Economic Development for provisions of funds for financing the covering of the Plaine Magnien Market fair, being given that this project was not included in its approved list of projects for financial year 2016-2017.

Subsequently on 29 June 2016, a request was made by my Ministry to the Ministry of Finance and Economic Development to consider making funds available for this project in the Budget 2016/2017 or in the forthcoming financial years on the basis of the Project Request Form already submitted.

Since no provision has been made in the current budget, my Ministry is following up the matter with the Ministry of Finance and Economic Development to consider the funding of this project in the forthcoming financial year.

## **BUILD MAURITIUS FUND – WATER PIPES - REPLACEMENT**

**(No. B/1056) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)**

asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the project for the replacement of the old water pipes under the Build Mauritius Fund, he will, for the benefit of the House, obtain from the Central Water Authority, information as to where matters stand in relation to –

- (a) Riche en Eau, Grand Bel Air to Ville Noire;
- (b) Plaine Magnien Village ;
- (c) Beau Vallon, and
- (d) Royal Road, Trois Boutiques and Cité Trois Boutiques.

**Reply :** I am informed by the Central Water Authority that -

- (i) the bids for the renewal of 12 kms of pipeline from Riche En Eau through Grand Bel Air to Ville Noire were planned to be launched in October 2016. As the bid documents have now to be modified following the issue of new Standard Bidding Documents by the Procurement Policy Office in October, bids will be launched by the Central Procurement Board in January 2017. Works are scheduled to start in May 2017 and to be completed by December 2019;
- (ii) as regard the replacement of some 13 kms of pipeline in the village of Plaine Magnien, the project has been delayed as the road has recently been resurfaced by the Road Development Authority and is under Defects Liability period. The Road Development Authority has now resolved this issue and granted the way leave. Works are expected to start in May 2017 and will be completed in 24 months, and
- (iii) the replacement of 10 kms of pipeline in the region of Beau Vallon, Royal Road, Trois Boutiques and Cité Trois Boutiques is funded by the CWA and not the Build Mauritius Fund. This project is scheduled to start in April 2017.

## **MOTORWAYS – STREET LIGHTING**

**(No. B/1057) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)**

asked the Minister of Local Government whether, in regard to the street lighting system found on the M1, M2 and M3 Motorways, he will state if –

(a) all the street lanterns are now operational and, if not, indicate the segments thereof which are –

(i) operational, and

(ii) not operational,

(b) if his Ministry is now –

(i) equipped with street lighting lorries, and

(ii) appropriately staffed for the timely maintenance thereof, and

(c) regular surveys are carried out at night to detect faulty street lanterns and, if not, why not.

**Reply (Vice-Prime Minister, Minister of Energy and Public Utilities):** In March, this year, my colleague the Minister of Public Infrastructure and Land Transport requested for the assistance of the Central Electricity Board to repair faulty lights along the motorway to ensure safety and security.

I had a meeting with him and the Minister of Local Government and it was agreed that the CEB will, as a one off exercise, repair and replace all faulty lightings from the airport to Grand-Baie (M1 & M2), along Terre Rouge-Verdun Link Road and from Ebène Cybercity to Motorway M1 at Calebasses (M3). Funding was provided by the Ministry of Finance and Economic Development for the purpose.

A dedicated team at CEB started the project on 08 August 2016 and completed it within a record time on 08 September 2016. All the faulty lamps were repaired or replaced along M1, M2 and M3.

I am informed by the CEB that it carries out two surveys daily along these roads between 11:00 hours and 13:00 hours and as from 1900h at night to identify any defective lighting and carry out the repairs.

The CEB will maintain these street lightings for a period of 6 months up to 8 February 2017. A technical committee at my ministry comprising the Ministry of Local Government and the Ministry of Public Infrastructure is looking into long term proposals for maintenance of street lighting.

I am informed that the CEB has one lorry equipped with elevators and hires additional lorries during weekends, if necessary. It is proposing to acquire two other lorries with elevators to be dedicated to street lighting works along the motorways. The CEB has eight dedicated employees deployed to the street lighting project along the motorways.

## **LE BOUCHON – MV BENITA - SHIPWRECK**

**(No. B/1058) Mr K. Ramano (Third Member for Belle Rose & Quatre Bornes)** asked the Minister of Environment, Sustainable Development, and Disaster and Beach Management whether, in regard to the shipwreck of the MV Benita, at Le Bouchon, he will state if an assessment has been made of the -

- (a) damage caused to the environment, and
- (b) amount of money that has been recovered as at to date by the Mauritian Government out of the expenditure incurred in relation thereto and, if so, give details thereof.

**Reply: (Minister of Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Islands):** I will answer to Questions B/1058 and B/1085 concurrently as these relate to the same issue.

The grounding of the MV Benita at Le Bouchon on 17 June 2016 resulted in two leakages of Heavy Fuel Oil from the vessel into the sea which seeped through the lagoon and was washed ashore along the Le Bouchon Public Beach shoreline and the Barachois-Ilot Broccus.

With a view to assessing the impacts of the spillages on the shorelines and on the marine ecosystem, Shoreline Assessment Surveys were carried out by my Ministry, the Ministry of Environment, Sustainable Development, Disaster and Beach Management and the National Parks and Conservation Services of the Ministry of Agro Industry on the 14, 19, 21 and 22 July 2016. At the same time the underwater ecological surveys were carried out jointly by the Albion Fisheries Research Centre and the Mauritius Oceanography Institute from 01 to 15 July 2016.

I would like to mention that the spillage of the Heavy Fuel Oil had been contained with the rapid and effective deployment of buoys and other counter measures undertaken by the Police department and the Ministry of Environment.

The clean-up operations which had been undertaken by the Ministry of Environment have been completed on Saturday 01 October 2016.

Parallel to these exercises, my Ministry is regularly monitoring the water quality at Le Bouchon and the surroundings. A meeting was held on 28 November 2016 and my Ministry has advised that further ecological surveys be carried out to assess the damage caused to the environment at Le Bouchon.

As regards the amount claimed, I am informed that a sum of Rs34,219,654.58 has been claimed from the Insurer and the total amount obtained so far is Rs12,543,140.

Regarding the balance of the amount claimed, my Ministry is pursuing the matter with the Insurer.

Regarding the total amount of compensation granted as at date to the fishermen affected by the grounding of MV Benita at Le Bouchon is Rs236,972.24. This sum has already been transferred to the Accountant General to be credited in the individual accounts of these fishermen.

#### **COMPANIES – CONTRACT AWARD - BLACKLISTED**

**(No. B/1059) Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the companies which have been in default of the contracts awarded thereto, he will state if there exists a system of blacklisting thereof and, if so, indicate the names of the companies which are presently blacklisted and, if not, why not.

**Reply:** I am informed that the Public Procurement Act 2006 makes provision for the suspension, debarment or disqualification of bidders and suppliers, including contractors, on grounds of misconduct relating to execution of procurement contracts or failure in the performance of such contracts.

The specific conditions for such suspension, debarment and disqualification are morefully described in the Public Procurement (Suspension and Debarment) and Public Procurement (Disqualification) Regulations.

I am further informed that as at date there is no supplier, bidder, contractor or consultant who is under debarment, suspension or disqualification. However, the Procurement Policy Office is investigating into five cases of Proposal for Disqualification.

#### **CEB – ACCIDENTS AT WORK – REPORTED CASES**

**(No. B/1060) Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the Central Electricity Board, he will, for the benefit of the House, obtain therefrom, information as to the number of reported cases of accidents at work having caused severe injuries thereat since January 2015 to date, indicating the outcome thereof in each case.



**Reply:** I am informed by the CEB that it has a group personal accident 24-hour insurance cover to provide compensation to employees in case of accidents occurring at work.

Since January 2015, three cases of accidents at work resulting in serious injuries have been reported.

One accident occurred in January 2015. The employee has undergone treatment in Mauritius and in India. All the costs were borne by the CEB. The employee has been paid compensation for 35% partial incapacity.

The second accident occurred on 16 March 2016. The employee has undergone treatment in a government hospital and private clinic. All the costs are borne by CEB. The employee is still under medical treatment.

The third accident occurred on 04 November 2016. The employee was treated in Government hospitals and has now shifted to a private clinic. The costs are borne by CEB.

I am also informed by the CEB that a driver had serious injury in his foot while driving a lorry on 15 June 2016. He is under medical treatment and all the costs are borne by the CEB.

### **COUNCIL OF REGISTERED PROFESSIONAL ENGINEERS – GRADUATES - BENCHMARKING**

**(No. B/1061) Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Minister of Education and Human Resources, Tertiary Education and Scientific Research whether, in regard to Engineering, she will, for the benefit of the House, obtain from the Council of Registered Professional Engineers of Mauritius, information as to if any benchmarking of the graduates thereof is carried out with international organisation/s.

**Reply:** I am informed by the Council of Registered Professional Engineers (CRPE) of Mauritius that the benchmarking of Graduates is carried out in strict compliance with the provisions of section (13)(2) of the Council of Registered Professional Engineers Act 1965 which prescribes that no person shall be registered as a Professional Engineer unless he, *inter alia* -

- (i) holds the corporate membership of the Institution of Civil Engineers (London), or

- (ii) holds the corporate membership of the institution of Electrical Engineers (London), or
- (iii) holds the corporate membership of the institution of Mechanical Engineers (London), or
- (iv) holds the corporate membership of such other institution or society established for the purpose of promoting the study and practice of the profession of Engineering as the Council may approve, or
- (v) holds a degree in Engineering granted by one of the Universities of the United Kingdom and Northern Ireland or
- (vi) a degree, diploma or certificate in Engineering from any other University, Technical Knowledge, Institution or Society approved by the Council as being of satisfactory standard, and
- (vii) satisfies the council that he has had at least two (2) years' experience in the practice of Engineering.

I understand that for qualifications from other countries and institutions, the Council benchmarks against the academic requirements of the country of origin. For French qualifications, for example, a qualification of *Diplome d'Ingenieur* is acceptable because it also meets the requirement of the *Commission des Titres d'Ingenieur* of France.

It appears that the CRPE also adheres to the principles of the Washington Accord as mentioned on their website. The Washington Accord regroups some 29 countries, who match and harmonise their qualifications such that these are of comparable and equivalent level.

## **WELDING – GRADUATES**

**(No. B/1062) Mr A. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Minister of Labour, Industrial Relations, Employment and Training whether, in regard to Welding, he will, for the benefit of the House, obtain information as to the number of graduates thereof who are fully accredited as at to date.

*(Reply not available)*

**APPOLLO BRAMWELL HOSPITAL (FORMER) – BED CAPACITY &  
STAFF**

**(No. B/1063) Dr. Z. Joomaye (Second Member for Rivière des Anguilles & Souillac)** asked the Minister of Health and Quality of Life whether, in regard to the former Appollo Bramwell Hospital, he will state the –

- (a) bed capacity thereat, and
- (b) number of medical, paramedical and support staff in post thereat.

**Reply:** With regard to part (a) of the question, I am informed that the actual number of beds at the former Apollo Bramwell Hospital is 200, out of which 147 are operational.

With regard to part (b) of the question, the breakdown of staff as at 31 October, 2016 as submitted by the hospital is as follows -

MEDICAL STAFF	In-House Doctors	68
	Visiting Doctors	170
PARAMEDICAL STAFF	Qualified Nurses	140
	Health Care Assistants	100
	Midwife	6
OPERATIONS AND SUPPORT STAFF		260

**MINISTRY OF HEALTH AND QUALITY OF LIFE - PREREGISTERED  
DOCTORS - RECRUITMENT**

**(No. B/1064) Dr. Z. Joomaye (Second Member for Rivière des Anguilles & Souillac)** asked the Minister of Health and Quality of Life whether, in regard to the recruitment of preregistered doctors, he will state the -

- (a) time frame for the next intake thereof, and
- (b) number thereof to be recruited

**Reply:** I am advised that there is no recruitment of preregistered doctors which is being carried out by my Ministry.

**DIABETES TYPE 1 - PEDIATRIC CASES**

**(No. B/1065) Dr. Z. Joomaye (Second Member for Rivière des Anguilles & Souillac)** asked the Minister of Health and Quality of Life whether, in regard to Diabetes Type 1, he will state the –

- (a) present number of pediatric cases thereof, and
- (b) overall strategy of his Ministry for the prevention, education and treatment thereof.

**Reply:** I am tabling information relating to patients with Type 1 diabetes who are following treatment in public hospitals as at 31 October 2016. According to our health records, there are 53 pediatric cases of Type 1 Diabetes, that is, children ranging from the age 0 to 11 years.

With regard to part (b) of the question, Type 1 Diabetes cannot be prevented. However, my Ministry has the following ongoing programme regarding education and treatment of Type 1 Diabetic patients in order to prevent complications -

- (a) A School Health Programme exists, whereby students of Standard I and Standard V in primary schools and those in Form I, III and Lower Six in secondary schools undergo a general medical examination each year. Under the programme, students with known Type 1 Diabetes are provided with counselling and support;
- (b) students who are found to be at risk of diabetes are referred to our Health Centres and Hospitals for further investigation and counselling;
- (c) children with Type 1 diabetes are provided with the latest insulin analogues as well as free glucose meters and test strips;
- (d) Type 1 diabetes clinic is operational in each of the 5 regional hospitals whereby Type 1 diabetic patients are seen and counselled by a multidisciplinary team consisting of Paediatricians, Diabetes Specialised Nurses and Nutritionists. Each patient is counselled individually on how to cope with daily life, instructions on self-injection, healthy eating, amongst others, and
- (e) Open days are organised at the level of the regional hospitals and at the Diabetes and Vascular Health Centre at Souillac where Type 1 diabetic patients are counselled amongst others on healthy lifestyle, foot care, insulin therapy and blood glucose monitoring.

## **FRUITS & VEGETABLES - FREIGHT REBATE SCHEME**

**(No. B/1066) Mr D. Sesungkur (First Member for Montagne Blanche & GRSE)**

asked the Minister of Agro-Industry and Food Security whether in regard to the Freight Rebate Scheme for the exportation of fruits and vegetables, he will state the names of the companies/individuals who have benefitted therefrom since 2008 to date, indicating the –

- (a) quantum of the rebate benefitted by each one of them, and
- (b) total amount of fruits and vegetables exported for the relevant years.

**Reply:** The Freight Rebate Scheme is managed by the Agricultural Marketing Board since 2001. From 2008 to 2010, 14 Companies have benefitted an amount of Rs12,354,275 as rebate on freight for the export of 1,639,041 kg of fruits and vegetables.

The Scheme was not operational in 2011 and in 2012, it was revised to boost the local production of specific fruits, vegetables and flowers and to promote the export potential of these agricultural produce. As per the revised Scheme, rebate on freight costs of the order of 25% is shared equally amongst exporters and producers.

In 2016, the Scheme was again revised and extended to other agricultural products with high export potential such as moringa (brede mouroungue), colocassia (arouille violette), decorative foliage, tropical flowers and associated parts.

I am informed that from 2012 to date, 257 producers and 18 exporters have benefitted an amount of Rs63,982,344 as freight rebate for the export of 16,809,811 kg of fruits, vegetables and flowers.

I am tabling the full list of beneficiaries of the Freight Rebate Scheme over the period 2008 to date together, with the quantum of rebate benefitted by each one of them and the volume of agricultural produce exported during that period.

## **CIVIL SERVICE - RECRUITMENT**

**(No. B/1067) Mr S. Rutnah (Third Member for Piton & Rivière du Rempart)**

asked the Minister of Labour, Industrial Relations, Employment and Training whether, in regard to the public sector, he will state the –

- (a) number of posts created over the period 2005 to 2010, 2010 to 2013 and 2014 to date respectively, indicating the number of recruits sector-wise, and
- (b) expected number of posts to be created by the year 2018.

**Reply: (Minister of Civil Service and Administrative Reforms, Minister of Environment, Sustainable Development and Disaster and Beach Management):** I wish to inform the House that prior to January 2015, there was unfortunately, no centralised system to collect and keep record about the number of posts created and filled in each financial year. I am informed that such information was kept separately by each and every Ministry. However, I have, for the sake of giving an indicative comparative perspective, caused information to be drawn from the relevant budgets for 2005, 2010, 2014 and 2016 about the number of funded positions in the Civil Service. The situation is as follows –

- 2005                      -                      61,525 posts;
- 2010                      -                      60,156 posts;
- 2014                      -                      60,074 posts, and

for this financial year, that is, 2016/2017, there are 61,657.

These figures do not include posts in the parastatal bodies and the Local Authorities.

Since my assuming office, I have arranged for a new and reliable data system to be put in place, whereby it is known with accuracy the total number of posts created and filled in each financial year. As an example, I can inform the House that, for the current financial year, there is a total of 12,728 vacancies to be filled in the Civil Service only, involving 7,142 new entrants and 5,586 promotional posts. The system which has been put in place since last year also keeps track of the progress being made on a quarterly basis. With such a mechanism, we can have reliable information in real time.

With regard to part (b) of the question, posts are created on a felt-need basis when budgetary proposals are formulated by all Ministries/Departments. It is not, therefore, possible to assess, albeit indicatively, the number of posts to be created in the next financial year, the more so for the medium term.

#### **DBM - COMPUTER LOAN SCHEME - ARREARS**

**(No. B/1068) Mr S. Rutnah (Third Member for Piton & Rivière du Rempart)** asked the Minister of Finance and Economic Development whether, in regard to the Loan Scheme for the Acquisition of Computers of the Development Bank of Mauritius Ltd., he will

—

- (a) for the benefit of the House, obtain from the Bank, information as to the total quantum of the loans granted since the introduction thereof to date, and

- (b) and table the list of the debtors in respect thereof, indicating the –
  - (i) total amount of money in arrears, and
  - (ii) actions taken for the recovery thereof, if any.

**Reply:** I am informed by the DBM that the Computer Loan Scheme was introduced in 1992 with the objective of enabling households to purchase personal computers and of disseminating IT Literacy among our citizens.

With regard to part (a) of the question, I am informed that a total amount of Rs1.39 billion has been disbursed as at date in favour of 53,056 beneficiaries.

With regard to part (b) of the question, as the House is aware, information regarding the names of debtors is confidential under the Banking Act and cannot be made public.

As regard part (b)(i) of the question, there are 7,246 live loan accounts as at date, for a total of Rs86 m. Of these accounts, 6,194 are in arrears for an amount of around Rs62.5 m.

With regard to part (b)(ii) of the question, I am informed by the DBM that, in addition to the regular submission of reminders and loan statements to the customers, a call centre has been set up to contact the customers whose accounts are in arrears. Moreover, the DBM branches have been entrusted with the responsibility for closely monitoring the arrears in their designated areas.

#### **COROMANDEL – MEDI-CLINIC - CONSTRUCTION**

**(No. B/1069) Mr G. Lepoigneur (Fifth Member for Beau Bassin & Petite Rivière)** asked the Minister of Health and Quality of Life whether, in regard to the proposed construction of a medi-clinic at Coromandel, in Beau Bassin, he will state where matters stand.

*(Withdrawn)*

#### **SCHOOLS - GRADE 5 – SYLLABUS**

**(No. B/1070) Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Minister of Education and Human Resources, Tertiary Education and Scientific Research whether, in regard to the students in Grade 5/Standard 5 and being given that they

will have to take a modular assessment (Module 1) Science and History and also in Geography in October/November 2017 and a School-based Assessment in two non-core subjects, namely Communications Skills and IT Skills, she will state –

- (a) if the syllabuses therefor are ready and, if so, table copy thereof;
- (b) the number of teachers trained in the respective subjects, indicating the duration of the training therefor, and
- (c) if all the schools are equipped with the appropriate IT equipment .

**Reply:** With regard to part (a) of the question relating to students in Grade 5 taking modular assessment (Module 1) by end of third term 2017, and who will be subject to school based assessment in two non-core subjects, i.e Communication Skills and ICT, the relevant syllabi are ready and have been published. I am tabling copies.

With regard to part (b) of the question, I wish to inform the House that a Training Plan has been elaborated in collaboration with the MIE and training has started since last year.

I am informed that educators who will be teaching Grade 5 in 2017 have already been trained on the new National Curriculum Framework 2015 which includes Science, History & Geography. Some 444 such Educators have been trained from 21 to 24 November 2016 in the context of the reform.

As far as Communications Skills are concerned, some 492 Educators who would be teaching Communications Skills in Grade 5 in 2017, have already undergone training in July 2016. Further training is scheduled in December this year regarding Assessment in Communication Skills as a non-core subject.

In addition, ICT support officers who would be teaching ICT Skills as a non-core subject have been trained in the months of April, May and September 2016. Another training programme is also scheduled from 05 to 08 December 2016 including all ICT support Officers.

Training will be an ongoing activity. More training workshops are planned for the month of December from 12 to 20 December 2016 for the benefit of all Educators who would be teaching Grade 5 in 2017.

I am advised that, with respect to part (c) of the question, all primary schools in Mauritius and Rodrigues are equipped with computer room facilities.

As part of the planning process for 2017, my Ministry is procuring additional personal computers for the schools.



**GOOD GOVERNANCE AND INTEGRITY REPORTING SERVICES AGENCY –  
COMPLAINTS - INVESTIGATION**

(No. B/1071) **Mr E. Jhuboo (Third Member for Savanne & Black River)** asked the Minister of Financial Services, Good Governance and Institutional Reforms whether, in regard to the Good Governance and Integrity Reporting Services Agency, he will, for the benefit of the House, obtain therefrom, information as to the number of complaints the Agency has received since the setting up thereof to date, indicating the number of cases under investigation.

*(Withdrawn)*

**GRAND RIVER NORTH WEST & PORT LOUIS WEST – LAND LEASE**

(No. B/1072) **Mrs D. Selvon (Second Member for GRNW & Port Louis West)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to Constituency No. 1, Grand River North West and Port Louis West, he will state the number of inhabitants thereof who have applied for land for the purpose of building houses since 2014 to date, indicating the number of applications –

- (a) accepted;
- (b) rejected, and
- (c) pending.

**Reply:** The reply to this PQ is the same as that for PQ B/1050 which is related to the Port Louis District.

**PLEASURE CRAFT OWNERS - POLICY FRAMEWORK -  
REPRESENTATIONS**

(No. B/1073) **Mr A. Ganoo (First Member for Savanne & Black River)** asked the Deputy Prime Minister, Minister of Tourism and External Communications whether, in regard to the Pleasure Craft Owners, he will state if he has received representations therefrom concerning the new policy framework being proposed by his Ministry, indicating if consideration will be given thereto and, if not, why not.

**Reply:** Following the implementation of the new policy framework for pleasure craft activities in August 2016, representations had been received from pleasure craft operators, in this regard.

Thereafter, a group of pleasure craft operators entered two cases in Court against the policy framework, seeking –

1. injunctive relief, and
2. leave to apply for judicial review.

As the matter is *sub judice*, it would therefore not be appropriate for me to provide any information in this connection.

#### **VICTORIA HOSPITAL – INCINERATOR - SMOKE & ODOUR NUISANCE**

**(No. B/1074) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Minister of Environment, Sustainable Development, and Disaster and Beach Management whether, in regard to the environmental pollution caused by the disposal of hospital waste through the incinerator of the Princess Margareth Orthopedic Centre, he will state if his Ministry is in presence of complaints emanating from any Non-Governmental Organisation or from the inhabitants of Residence Kennedy with a view to putting an end thereto and, if so, indicate if consideration will be given thereto.

**Reply:** No complaints have been received at the Ministry from any non-Governmental Organisation with regard to the incinerator at Princess Margareth Orthopedic Centre, at Victoria Hospital, Candos.

However, an inhabitant at Residence Kennedy, namely Mrs Suzanne Madre had on, 08 November 2016, made a complaint over the phone concerning smoke and odour nuisance emanating from the incinerator of the said hospital, causing nuisance to her health and that of her family. The matter was referred to the Ministry of Health and Quality of Life and this Ministry has been apprised that the issue has been attended to.

The chimney of the said incinerator has been damaged in December 2016 and since then it is not in operation.

#### **VEGETABLES – PESTICIDES - MONITORING**

**(No. B/1075) Mr J. C. Barbier (Fourth Member for GRNW & Port Louis West)** asked the Minister of Health and Quality of Life whether, in regard to the use of pesticides,

herbicides and fertilizers in the growing of vegetables in Mauritius, he will state if it has been established that the use thereof is one of the cause factors for the high level of cancer in Mauritius and, if so, indicate if consideration will be given for the introduction of appropriate legislation and the setting up of a mechanism for the control thereof.

**Reply:** The correlation between the use of pesticides, herbicides and fertilizers in the cultivation of vegetables and the high prevalence of cancer in Mauritius has not been established.

However, there are two levels of mechanisms for the control of pesticides under the Dangerous Chemical Control Act and the Food Regulations under my Ministry.

The situation is being constantly monitored and if necessary, appropriate legislation will be introduced.

#### **FOOT AND MOUTH DISEASE - FARMERS/BREEDERS - FACILITIES**

**(No. B/1076) Mr J. C. Barbier (Fourth Member for GRNW & Port Louis West)** asked the Minister of Agro-Industry and Food Security whether, in regard to the farmers/breeders affected by the Foot and Mouth Disease, he will state the mechanism and facilities put in place by his Ministry to help their respective businesses.

**Reply:** There are currently 3,872 farmers/breeders in Mauritius with an overall livestock population of 55,665 heads as follows -

Cattle	:	6,065
Goats and Sheep	:	29,120
Pigs	:	20,480

Some 1,696 animals, namely 601 cattle, 425 goats and sheep and 670 pigs were infected by the FMD and had to be culled. These animals belonged to some 101 breeders/farmers out of whom 47 were carrying breeding/fattening activities on a regular basis. Some were conducting illegal breeding activities whilst many were importers who were rearing animals temporarily for fattening for eventual sale in the context of the Eid-ul-Adha festival.

All the 101 breeders/farmers have been adequately compensated for the loss of their animals. My Ministry is operating a number of schemes for the livestock sector and any

breeder/farmer may avail of facilities offered under these schemes. Besides, a Ministerial Committee was set up in August 2016 under the chairmanship of the Minister of Finance and Economic Development for the relaunch of the sector. The Committee has not completed its work yet.

The hon. Member will appreciate that the livestock sector has not been severely affected by the FMD and the farmers and breeders in the vast majority, are conducting their business as usual and may not be in urgent need for any immediate assistance from Government.

### **CARGO HANDLING CORPORATION - COMMISSION FOR CONCILIATION AND MEDIATION - REPORT**

**(No. B/1077) Mr J. C. Barbier (Fourth Member for GRNW & Port Louis West)** asked the Minister of Labour, Industrial Relations, Employment and Training whether, in regard to the Cargo Handling Corporation Ltd. (CHCL), he will state if on 18 May 2015, he had requested the Commission for Conciliation and Mediation to inquire and report on the state of affairs prevailing thereat and, if so, indicate the outcome thereof.

**Reply:** Further to my request to the Commission for Conciliation and Mediation on this matter, the latter has submitted its report to me, a copy of which has been submitted to the Chairman of the Cargo Handling Corporation Ltd (CHCL) for appropriate action at its end.

I understand that the issues contained in the report have been raised at the level of the Board of the CHCL and are under discussion.

### **PORT - STRATEGIC PARTNER**

**(No. B/1078) Mr J. C. Barbier (Fourth Member for GRNW & Port Louis West)** asked the Deputy Prime Minister, Minister of Tourism and External Communications whether, in regard to the Port, he will, for the benefit of the House, obtain from the Mauritius Ports Authority, information as to where matters stand as to the issue of securing a strategic partner therefor, indicating if discussions are still ongoing with D.P. World Ltd. therefor.

**Reply:** I would like to refer the hon. Member to the reply I made to a Private Notice Question on 26 April 2016. I had given the details on the offer of DP World, and have stated that we have to seek all necessary guarantees with a view to safeguarding the interest of the nation.

I also informed the House that Mauritius Ports Authority has appointed Messrs BDO to carry out a financial, legal and technical examination of the proposal of DP World.

I am informed by the Director-General, Mauritius Ports Authority that Messrs BDO have submitted a Report in May 2016. The findings and recommendations of the said Report were submitted to the Ministerial Committee set up in June 2016, to examine the proposal of DP World. The recommendations of the Ministerial Committee were forwarded to DP World in July 2016.

DP World has, in October 2016, submitted counter proposals on some governance issues and these have been studied by the consultants who have submitted their views. The Ministerial Committee will now meet to consider the counter proposals.

#### **PETITE RIVIÈRE – HOUSING UNITS**

**(No. B/1079) Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the construction of core housing units at Rivière Noire Road and Beethoven Avenue, at Petite Rivière, in Black River, he will state –

- (a) if soil tests were carried out thereat prior to the choice of the site therefor, and
- (b) the actions taken to avoid flooding thereat during heavy rainfalls, if any, indicating if his Ministry has received complaints from the inhabitants of Cité Richelieu and from the vicinity thereof as regards potential dangers that could be caused by the said construction in case of heavy rainfall.

**Reply:** I wish to inform the House that there is no construction of core housing units which is currently being implemented at Rivière Noire Road and Beethoven Avenue at Petite Rivière.

#### **RING ROAD - REMEDIAL WORKS - COMPLETION**

**(No. B/1080) Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the Ring Road Project, he will state where matters stand, indicating when it will become operational.

**Reply:** The Ring Road project is one of the major components of the Road Decongestion Programme. It comprises three phases as follows -

- Phase 1-from Montebello to Guibies over an approximate length of 5km;
- Phase 2-from Guibies to Champ de Mars over 3.9Km through a tunnel of approximate length of 1.2km across the Quoin Bluff Mountain, and
- Phase 3- from junction at Boulevard Victoria parallel to Military Road via Quay D up to the Container Park at Mer Rouge.

With regard to the Ring Road Phase I, in reply to PQ B/162 on 12 April 2016, I informed the House that the project was practically completed on 31 January 2013. However, during a pre-final visit effected in January 2014, that is, within the Defects Liability Period, cracks and settlement deficiencies were observed over a stretch of about 75m. Later, around end February/March 2014, that stretch of the road collapsed following the sliding movement of the reinforced earth retaining wall. Since the collapsed part of the Ring Road was on a “Design and Build” basis occurred during the Defects Liability Period, the contractor JV Rehm Grinaker-Colas agreed to carry out the repair works as per the Conditions of the Contract.

The remedial works started in April 2014 and were expected to be completed by end August 2016.

However, I am now informed by the Road Development Authority that all specialist works consisting of erection of piles, fixing and stressing of anchors and construction of reinforced earth walls are expected to be completed by end December 2016. The final works consisting of the top embankment construction and the structural road works are expected to be completed by end April 2017.

The overall progress till date is 74%, details of which are as follows -

- Piling Works – Completed
- Anchors drilling and fixing- 122 out of 128 numbers completed
- Anchor Stressing- 101 out of 128 numbers completed
- Reinforced Earth Panels 743 out of 827 numbers completed

I am further informed that the Schedule of Works had to be reviewed by the contractor primarily due to the breakdown of the special heavy duty equipment being used for the project. I am also apprised that the specialist works require unique equipment which are not available locally and that the spare parts had to be procured from abroad involving a lengthy process.

As I mentioned in my reply to PQ B/162, the Ring Road Phase I is already operational up to the Swami Vivekananda International Conference Centre. The segment of the road which is being rehabilitated is not currently used by traffic. It will be used only after implementation of Phase 2 and Phase 3 of the project which will be undertaken after completion of the two other components of the Road Decongestion Programme namely, the Grade Separated Junction at Phoenix-Jumbo-Dowlut roundabouts and the A1-M1 Link Road from Coromandel to Soreze.

#### **SOCIAL NETWORKS – DEFAMATION, LIBEL & SLANDER OFFENCES**

**(No. B/1081) Mr D. Sesungkur (First Member for Montagne Blanche & GRSE)** asked the Minister of Technology, Communication and Innovation whether, in regard to defamation, libel and slander perpetrated by social network users/subscribers, he will state if —

- (a) an assessment of the incidence thereof has been effected;
- (b) the social networks are monitored to detect habitual perpetrators/offenders, and
- (c) consideration is being given for a toughening of the legislation in relation thereto.

**Reply:** With regard to part (a) of the question, I am informed that defamation, libel and slander perpetrated by social network users/subscribers are assessed by the Police Department. However, the Computer Emergency Response Team of Mauritius, known as CERT-MU, operating under the National Computer Board of the Ministry of Technology, Communication and Innovation, is called upon, on requests from the Police Department, to take action for the removal of prejudicial contents on social networks.

Notwithstanding the above, the CERT-MU which has established working relationships with social networks like Facebook also intervenes for the removal of prejudicial contents on requests from individuals and organisations.

With regard to part (b) of the question, I am informed that Police Officers posted at the IT Unit of the Police Department undertake daily cyber patrols on social networks

accessible to the public and they communicate any incriminating contents to the Cybercrime Unit of the Police Department for prompt action.

With regard to part (c) of the question, I am also informed that legal provision already exists under the Information and Communication Technologies (ICT) Act 2001 to regulate or curtail harmful and illegal contents on the Internet. As at date, the Information and Communication Technologies (ICT) Authority has enforced the curtailing of illegal content on Internet by hinging on section 15 of the Child Protection Act 1994 as amended which makes child pornography illegal in Mauritius.

Furthermore, since February 2011, the ICT Authority has set up a centralised online filtering service which enables Internet service providers to effectively filter child sexual abuse sites which are considered as illegal in Mauritius.

In addition, section 46(h) of the ICT Act 2001 provides sanctions for offences of defamation, libel, slander on the social networks. On conviction, a person is liable to a fine not exceeding one million rupees and a term of imprisonment not exceeding five years.

### **WEST COAST - HOTEL PROJECTS**

**(No. B/1082) Mr G. P. Lesjongard (Second Member for Savanne & Black River)** asked the Deputy Prime Minister, Minister of Tourism and External Communications whether, in regard to the proposed implementation of new hotel projects on the west coast, he will state the number thereof, indicating the expected start and completion dates thereof in each case.

**Reply:** I wish to inform the House that my Ministry has been consulted by the Ministry of Housing and Lands on two applications for hotel projects for implementation on the west coast, namely –

- (i) Dolphin Bay by Maueco Development Ltd. at Belle Vue, Medine, and
- (ii) the renovation and refurbishment of the former One Four Seven Hotel by Grand West Ltd. at Grande Rivière Noire.

Both projects are currently being examined by the Ministry and additional information has been sought for further processing.

### **MEDINE SUGAR ESTATE – LAND CONVERSION**

**(No. B/1083) Mr G. Lesjongard (Second Member for Savanne & Black River)** asked the Minister of Agro-Industry and Food Security whether, in regard to the Medine



Sugar Estate, he will, for the benefit of the House, obtain information as to the extent of land owned by the Estate, indicating –

- (a) the extent thereof presently under sugar cane cultivation;
- (b) the extent of agricultural land thereof converted for residential, commercial and industrial purposes respectively, since 2005 to date;
- (c) the amount of land conversion taxes paid by the Estate, and
- (d) if the conversion concern prime agricultural land.

**Reply:** Medine Sugar Estate has implemented the VRS scheme whereby compensation was paid to the employees concerned and expenditure incurred in *morcellement* projects for the allocation of land compensation to these employees. The Company is thus entitled to convert agricultural land, free of land conversion tax, to recoup these costs.

Moreover, the company had offered land to Government at a nominal price under the 1:2 scheme and the 800 *Arpents* scheme for national projects and in exchange, it was entitled to convert agricultural land, free from land conversion tax, for non-agricultural projects.

Regarding part (a) of the question, I am informed that the extent of land owned by Medine Sugar Estate, which is presently under sugarcane cultivation, is around 3,668 hectares, that is, 8690 *Arpents*.

As regards part (b), the extent of agricultural land converted to residential, commercial and industrial purposes respectively, since 2005 to date, is around 811 *Arpents*.

In respect of part (c), I am informed that an amount of Rs21 m. was paid by the Company for two applications made in connection with IRS projects over an extent of 12 *Arpents* 90 perches.

With regard to part (d) of the question, I am informed that most of the lands in the factory area of Medine S.E are categorised as either moderately suitable or marginally suitable for sugarcane cultivation. Nevertheless, out of the 811 *Arpents* converted, 147.19 *Arpents* were prime agricultural lands.

#### **ASSET RECOVERY UNIT – RESTRAINING/CONFISCATION ORDER**

**(No. B/1084) Mr D. Ramful (Third Member for Mahebourg & Plaine Magnien)** asked the Minister of Financial Services, Good Governance and Institutional Reforms whether, in regard to the Asset Recovery Unit, he will, for the benefit of the

House, obtain from the Financial Intelligence Unit, a list of the cases that have been transferred from the Office of the Director of Public Prosecutions thereto following the coming into operation of the amendment to the Asset Recovery Act in relation thereto, indicating in each case if the Restraining Order or the Confiscation Order has been renewed and, if not, why not, giving a list of all new cases where a Restraining Order or Confiscation Order has been obtained by the FIU.

*(Reply not available)*

#### **MV BENITA – SHIPWRECK - COMPENSATION**

**(No. B/1085) Mr D. Ramful (Third Member for Mahebourg & Plaine Magnien)** asked the Minister of Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Islands whether, in regard to the shipwreck MV Benita, he will state the amount of compensation, if any –

- (a) claimed and obtained from the insurer, and
- (b) granted to the fishermen who have been affected therewith.

*(Vide reply to PQ No. B/1058)*

#### **BASIC INVALIDITY PENSION & SOCIAL AID BENEFIT - APPLICATIONS**

**(No. B/1086) Mr D. Ramful (Third Member for Mahebourg & Plaine Magnien)** asked the Minister of Social Security, National Solidarity and Reform Institutions whether, in regard to the Basic Invalidity Pension and the Social Aid Benefit, she will state, since January 2015 to date the –

- (a) number of
  - (i) applications received for renewal thereof, indicating the number thereof renewed and/or rejected and
  - (ii) number of new applications received, indicating the number thereof rejected, and

- (b) present composition of the Medical Board and Medical Tribunal, respectively, indicating the qualifications of the Chairperson and of the members thereof respectively.

*(Reply not available)*

### **OLD AGE PENSION - TARGETING**

**(No. B/1087) Mr D. Ramful (Third Member for Mahebourg & Plaine Magnien)** asked the Minister of Social Security, National Solidarity and Reform Institutions whether in regard to the old age pension, she will state if consideration is being given for the introduction of targeting therefor.

*(Reply not available)*

### **NATIONAL SPORTS FEDERATIONS – ATHLETES - INSURANCE**

**(No. B/1088) Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière)** asked the Minister of Youth and Sports whether, in regard to the insurance cover for athletes, he will state if all the national federations are abiding by section 5(1)(d) of the Sports Act 2013 and, if so, indicate the conditions attached thereto.

*(Withdrawn)*

### **MAHEBOURG HOSPITAL - RENOVATION**

**(No. B/1089) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the Mahebourg Hospital, he will state if his Ministry has received any request from the Ministry of Health and Quality of Life to carry out a comprehensive survey of the building with a view to renovating/upgrading same and, if so, indicate where matters stand.

**Reply:** I am informed that the Ministry has already completed this year the following renovation works at Mahebourg Hospital –

1. waterproofing at Casualty Department;
2. renovation of the Dental Clinic;
3. renovation of the Toilet Block, and
4. renovation of the Police Post, Telephone Post and Gatekeeper's Lodge.

Moreover, the scope of works and cost estimates are being prepared for the external painting of the building. My Ministry would also proceed with the award of contracts for the renovation of Wards 1, 2 and 4 to District Contractors on obtaining confirmation of funds from the Ministry of Health and Quality of Life.

I am further informed that the Ministry of Health and Quality of Life considers that there is no need at this stage to carry out further renovation and upgrading works at the Hospital since it is not envisaged to provide additional specialised services round the clock at the Hospital being given that the services provided thereat are deemed adequate.

However, following a request made on 25 November 2015 by the Ministry of Health and Quality of Life, my Ministry, together with representatives of the National Heritage Trust Fund will carry out a survey of the Hospital to determine any further actions to be taken for its preservation and maintenance.

#### **FOOT AND MOUTH DISEASE - CATTLE BREEDERS – COMPENSATION**

**(No. B/1090) Mrs M. C. Monty (Third Member for Port Louis North & Montagne Longue)** asked the Minister of Agro-Industry and Food Security whether, in regard to the recent outbreak of the Foot and Mouth Disease, he will state if the registered cattle breeders of Constituency No. 4, Port Louis North and Montagne Longue have been compensated for the loss of their cattle and, if so –

- (a) give details thereof, and
- (b) indicate if consideration will be given for additionally compensating them for the consequential loss of income as a result thereof.

*(Withdrawn)*

#### **MHC, NHDC, MCSMAA & CCU – DEPOSIT TAKING ACTIVITIES**

**(No. B/1091) Mr D. Sesungkur (First Member for Montagne Blanche & GRSE)** asked the Minister of Finance and Economic Development whether, in regard to the Mauritius Housing Company Ltd., the National Housing Development Company Ltd., the Mutual Civil Service Mutual Aid Association Ltd. and the Co-operative Credit Unions, he will, for the benefit of the House, obtain from the Bank of Mauritius, information as to if they carry out deposit taking activities and, if so, indicate –

- (a) if they are subject to the supervision of the Bank of Mauritius, and
- (b) how the interests of the depositors thereat are protected.

**Reply:** The Mauritius Housing Company Ltd and the Mauritius Civil Service Mutual Aid Association Ltd are Non-Bank Deposit Taking institutions licensed and supervised by the Bank of Mauritius. They are subject to the same prudential regulation as a bank as provided under the Banking Act and have to abide by guidelines and instructions issued by the Bank of Mauritius.

The National Housing Development Company Ltd does not take deposits from the public and thus the question of supervision by the Bank of Mauritius does not arise.

As regards co-operative credit unions, they fall under the purview of the Registrar of Co-operatives. In 2013, amendments were brought to the Banking Act for the Bank of Mauritius to supervise credit unions with turnover above Rs20 m. However, this provision of the Banking Act has been repealed in the Finance (Miscellaneous Provisions) Act 2016 and co-operative credit unions are now licensed and supervised solely by the Registrar of Co-operatives.

The Bank of Mauritius has signed an MoU with the Registrar of Co-operatives to provide technical support and assistance in the licensing, regulating and supervision of credit unions.

In addition, the new Co-operatives Act that was recently enacted makes provision for better regulation of that sector.