



**SIXTH NATIONAL ASSEMBLY**

**PARLIAMENTARY**

**DEBATES**

**(HANSARD)**

**(UNREVISED)**

**FIRST SESSION**

**TUESDAY 09 MAY 2017**

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## THE CABINET

**(Formed by Hon. Pravind Kumar Jugnauth)**

Hon. Pravind Kumar Jugnauth	Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development
Hon. Ivan Leslie Collendavelloo, GCSK, SC	Deputy Prime Minister, Minister of Energy and Public Utilities
Hon. Sir Anerood Jugnauth, GCSK, KCMG, QC	Minister Mentor, Minister of Defence, Minister for Rodrigues
Hon. Showkutally Soodhun, GCSK	Vice-Prime Minister, Minister of Housing and Lands
Hon. Seetanah Lutchmeenaraidoo, GCSK	Minister of Foreign Affairs, Regional Integration and International Trade
Hon. Yogida Sawmynaden	Minister of Technology, Communication and Innovation
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 Tourism
Dr. the Hon. Mohammad Anwar Husnoo	Minister of Health and Quality of Life
Hon. Prithvirajsing Roopun	Minister of Arts and Culture
Hon. Marie Joseph Noël Etienne Ghislain Sinatambou	Minister of Social Security, National Solidarity, and Environment and Sustainable Development
Hon. Mahen Kumar Seeruttun	Minister of Agro-Industry and Food Security
Hon. Ashit Kumar Gungah	Minister of Industry, Commerce and Consumer Protection
Hon. Ravi Yerrigadoo	Attorney General
Hon. Jean Christophe Stephan Toussaint	Minister of Youth and Sports
Hon. Soomilduth Bholah	Minister of Business, Enterprise and Cooperatives
Hon. Marie Roland Alain Wong Yen Cheong, MSK	Minister of Social Integration and Economic Empowerment

Hon. Mrs Fazila Jeewa-Daureeawoo	Minister of Gender Equality, Child Development and Family Welfare
Hon. Premdut Koonjoo	Minister of Ocean Economy, Marine Resources, Fisheries and Shipping
Hon. Soodesh Satkam Callichurn	Minister of Labour, Industrial Relations, Employment and Training
Hon. Purmanund Jhugroo	Minister of Local Government and Outer Islands
Hon. Marie Cyril Eddy Boissézon	Minister of Civil Service and Administrative Reforms
Hon. Dharmendar Sesungkur	Minister of Financial Services, Good Governance and Institutional Reforms

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**MAURITIUS**

**Sixth National Assembly**

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**FIRST SESSION**

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**Debate No. 06 of 2017**

**Sitting of 09 May 2017**

**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**

- (a) The Reports of the Director of Audit on the Financial Statements of the Media Trust for the years 2005, 2006, 2007, 2008 and 2009. (In Original)
- (b) The Annual Reports of the Accountant-General and the Accounts of the Government of the Republic of Mauritius for the period of 6 months ended 30 June 2015 and the financial year ended 30 June 2016. (In Original)

B. **Ministry of Energy and Public Utilities**

The Annual Report of the Wastewater Management Authority for the year ended 31 December 2015.

C. **Minister Mentor's Office, Ministry of Defence and Ministry for Rodrigues**

The Maritime Zones (Conduct of Marine Scientific Research) Regulations 2017. (Government Notice No. 57 of 2017)

D. **Ministry of Education and Human Resources, Tertiary Education and Scientific Research**

The Annual Report of the Human Resource Development Council (HRDC) for the year ended 31 December 2013.

E. **Ministry of Industry, Commerce and Consumer Protection**

- (a) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-taxable Goods) (Amendment No. 10) Regulations 2017. (Government Notice No. 58 of 2017)
- (b) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-taxable Goods) (Amendment No. 11) Regulations 2017. (Government Notice No. 59 of 2017)
- (c) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-taxable Goods) (Amendment No. 12) Regulations 2017. (Government Notice No. 60 of 2017)

- (d) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-taxable Goods) (Amendment No. 13) Regulations 2017. (Government Notice No. 61 of 2017)

**F. Ministry of Business, Enterprise and Cooperatives**

The Reports of the Director of Audit on the Financial Statements of the Co-operative Development Fund for the fiscal years ending 31 December 2013 and 31 December 2014. (In Original)

**G. Ministry of Local Government and Outer Islands**

The District Council of Pamplemousses (Traffic Centre) (Amendment) Regulations 2017. (Government Notice No. 62 of 2017)

**ANNOUNCEMENT**

**NATIONAL ASSEMBLY - SITTING 25 APRIL 2017 - UNPARLIAMENTARY WORDS**

**Madam Speaker:** Before we start with the business of the House, I have the following announcement to make.

Following the sitting of Tuesday 25 April last, it was brought to my attention that whilst I was on my feet calling hon. Bhadain to order, the hon. Prime Minister uttered certain objectionable words. Having perused the Hansard and viewed the broadcast of the proceedings of the House of the said incident, it is confirmed that these words have been uttered by the hon. Prime Minister in the course thereof. I, therefore, rule that the said words are unparliamentary and request the hon. Prime Minister to kindly withdraw them.

**The Prime Minister:** I withdraw.

**Madam Speaker:** Thank you.

**ORAL ANSWERS TO QUESTIONS**

**UTM – RECRUITMENT & INFRASTRUCTURE**

**The Leader of the Opposition (Mr X. L. Duval)** (*by Private Notice*) asked the Minister of Education and Human Resources, Tertiary Education and Scientific Research whether, in regard to the University of Technology Mauritius, she will state if she has taken cognizance of the –



- (a) dismal academic performance thereof;
- (b) deteriorating morale of the teaching and non-teaching staff thereof;
- (c) deteriorating state of infrastructure and equipment thereof;
- (d) urgent need to improve the management thereof, and
- (e) University's request for an increase in the student fees

and, if so, indicate the actions taken by her Ministry in relation thereto, if any.

**Mrs Dookun-Luchoomun:** Madam Speaker, with your permission, I will answer to PQ B/389 along with the PNQ, as they relate to the same issue.

Madam Speaker, the UTM is a public university set up in year 2000 by an Act of Parliament. UTM recruits students as per entry requirements as approved by the Academic Council and its Board. UTM has revised its programmes and reviewed the courses which now also include work placements.

It currently offers courses at both undergraduate and post-graduate levels. The University currently offers around 60 courses, 40 courses at undergraduate level and 20 at post-graduate level. Over the last 3 years, the University has consistently produced over 1,000 graduates yearly.

Moreover, the UTM has set up its School of Health Sciences in October 2015 and since December 2016, the University is on the list of recognised medical institutions of the Medical Council of Mauritius.

With regard to part (a) of the question, I wish to inform the House that, in 2016, UTM obtained the Africa Education Leadership Award that further reflects the quality of Higher Education dispensed by the University.

Moreover, from 2015 to date, UTM has consistently obtained a third of the MPhil/PhD scholarships awarded by the Tertiary Education Commission (6 out of 19), indicating the quality of the programme of studies at the University.

All the above indicate that it is unfair and inaccurate to say that the academic performance at UTM is dismal.

However, that being said, the academic quality is a core concern for any tertiary education institution and the aim is to constantly improve on quality. The UTM has a Quality

Assurance Unit which was set up in 2005. The University also undergoes cyclic Quality Audit, commissioned by the Tertiary Education Commission and carried out by international practitioners. UTM is to submit an evaluation report on the level of its quality in August 2017 and its next External Quality Audit will be carried out by the Tertiary Education Commission in November 2017.

Also, the Tertiary Education Commission is creating capacity building exercises in all tertiary education institutions through workshops and seminars on quality assurance in higher education institutions.

Moreover, a VC and Director General Committee has been set up to discuss national higher educational issues and to ensure systematic implementation of policies and processes.

The Government is also promoting research in higher education institutions and UTM is also being encouraged to improve its research capabilities.

The new Tertiary Education Commission Director is also personally sitting on the Academic Council meetings to ensure that quality of programmes is being adhered to.

Madam Speaker, with regard to part (b) of the question, the UTM has a staff of 152 persons, and the fact that the University has obtained the Africa Education Leadership award is reflective of the state of affairs and quality delivery at the University.

Madam Speaker, let us be honest with ourselves. In any large organisation, there are bound to be some staffing issues. This applies as well to the UTM, and the House can rest assured that the University management is looking into these on a case-to case basis, and in a spirit of dialogue with all parties concerned.

One of the issues raised relates to the shortage of staff. It is, in this context, important to note that the UTM management has already initiated actions to fill in vacant positions on a priority basis. As for senior staffing positions such as Human Resource Management Officers, Health and Safety Officers and the Head of School of the Health Sciences, these have already been filled. Action is also being taken by the UTM for the filling of 45 other posts at the level of the University.

In light of the above, claiming that there is a deterioration of the morale at the institution would be extreme and unfair.

Madam Speaker, with regard to part (c) of the PNQ, I am informed that, at the origin, the University of Technology Mauritius, in the year 2000, consisted of essentially 2 buildings, that is, the ex-MIPAM and the ex-SITRAC buildings. These are Ground+1 and Ground+2 buildings respectively, situated adjacent to one another.

These buildings had initially been built as training centres, with classrooms only and had as such not been designed to serve as university infrastructure.

In 2007, a Ground+1 Plaza was constructed as complement to these buildings to enable students to have a proper working environment.

Other infrastructural improvement and maintenance works carried out this year were waterproofing works on the building, housing the central administration and the School of Innovative Technologies, painting works, in addition to the setting up of a new canteen for students and staff.

Further, with regard to the premises of the University, action is being taken by the Administration of the University to repair lighting system in the playground as well as fog lights, etc. on the premises.

Health and Science laboratory equipment have also been purchased. Arrangements have been made for the purchase of office materials, printers, office furniture, smoke detectors and also sports equipment.

Madam Speaker, the capital budget of Rs11 m. was made available to the University for the financial year 2016/2017 for infrastructure improvement and upgrading works, as well as the purchase of additional equipment to improve the working and study environment of the students and staff. Given the scope of the necessary infrastructural works identified, the capital budgets allocated these past few years have not been sufficient.

Since last year, several meetings have been held with students pertaining to infrastructure. UTM has made a request for funds in connection with the following -

- (1) Extension of the students' common room;
- (2) The second and third phases of the University Integrated Information System;
- (3) Improvement to existing building and purchase of equipment and furniture;
- (4) Construction of a UTM tower on the land vested by the Ministry. My Ministry has already put at the disposal of the UTM a plot of land at La Tour

Koenig for this purpose. This will be an educational building which will house facilities for university students.

Madam Speaker, proposals are being made in the context of the Budget 2017/2018 for funds to be made available for infrastructure improvement under a dedicated fund. This will enable UTM to address the issue of infrastructural improvement on a fast track mode.

My Ministry has already engaged into discussions with the Ministry of Finance and Economic Development to pursue on these proposals in the context of the forthcoming Budget.

Madam Speaker, with a view to improving the state of affairs, the Ministry is, in fact, working with all public institutions of Higher Learning and has invested them with the task of working towards the provision of a workforce that will enable the overall development of Mauritius. And, in this context, the UTM Management is taking action to tackle all issues at the University, including the issue of shortage of staff.

The UTM has been taking relevant steps in the right direction and hence, recruitment has become effective for senior positions and others, as I have mentioned earlier, will be recruited in due time. The University has also managed last year to set up its School of Health Sciences and this has allowed its recognition at the level of the Medical Council.

Madam Speaker, with regard to part (e) of the question, I would like to draw the attention of the House that UTM operates as a fee charging institution and its main source of revenue are from student fees along with a subsidy from Government to the tune of Rs11 m. for this financial year. I would like to highlight here that since the setting up of the UTM in year 2000, the fee structure has remained unchanged.

In view thereof, my Ministry has made a strong plea to the Ministry of Finance and Economic Development for an increase in the subsidy to the UTM for the next financial year. In addition, the University is, through its Board of Governors, exploring all possibilities regarding external sources of revenue for the institution.

**Mr X. L. Duval:** Madam Speaker, my question was what has been done in view of, what I maintain, the dismal situation there, but I will come to that, Madam Speaker.

I would like to ask the hon. Minister whether she is aware that this fantastic University that has won a *bidon* leadership award, is ranked 239<sup>th</sup> - not in the world, Madam Speaker - in Africa, behind University of Ouagadougou, behind whatever everywhere in

Africa. This University is 7,700<sup>th</sup> worldwide and 239<sup>th</sup> in Africa! What is being done to upgrade this University?

**Mrs Dookun-Luchoomun:** Madam Speaker, I have just mentioned that all tertiary institutions should be aiming at improving the state of affairs as far as quality is concerned. University of Technology Mauritius has been set up some 17 years back. It is growing and it is doing fairly well. Now, I have just mentioned all the measures that are being taken at the level of the Administration of the University and at the level of my Ministry to provide the necessary scaffolds for the University to continue upgrading its capacities.

Now, if we talk about ranking of universities, then we can go and try to look for each and every university that has been set up over the past 50 years, we will find that the ranking does not come up solely on output results, but also on facilities, research capabilities and a number of other items.

So, Madam Speaker, I still maintain that the University of Technology has still a long way to go, has still improvements to make, but still it is doing fairly well.

**Mr X. L. Duval:** In the same ranking, the University of Mauritius is 51<sup>st</sup>, so we can do better. Even in Africa, it is terrible. We are used to be first in Africa everywhere except for universities.

Madam Speaker, I would like to ask the hon. Minister what is being proposed to reverse the fall in student enrolment which, I understand, has fallen by 20% in March 2017 compared to March 2016.

**Mrs Dookun-Luchoomun:** Madam Speaker, in Mauritius we are having a demographic decline. We all know that the student population is declining and this is related to demography.

Secondly, we must say that, at the level of the UTM, they have taken measures to improve on their entry requirements and, in fact, even the Ministry has given instructions that, as from this year onwards, entry requirements have to be upgraded. So, normally when we take up such measures, we do expect that the number of entries would decline and we must not forget that the Tertiary Education landscape is changing in Mauritius. Today, we have about 60 tertiary education institutions and, obviously, there will be a sharing of the student population.

**Mr X. L. Duval:** With the fall in student enrolment, the university itself is in jeopardy. I would like to ask the hon. Minister - she has said the requirements are being upgraded, I understand that now the University is enrolling students with only one 'A' Level.

**Mrs Dookun-Luchoomun:** Madam Speaker, as from this year we have already given instructions to all tertiary institutions to ensure that all degree courses enrol students having three GCE 'A' Levels or two 'A' Levels plus two subsidiaries or three 'A' Levels plus one subsidiary. This is the case for all degree courses. As for diploma courses, two 'A' Levels or at times in certain cases less is accepted depending on the course being dispensed.

**Mr X. L. Duval:** This must be something new. Madam Speaker, I would like to ask the hon. Minister whether she is aware that the University advertised six courses which had not been approved at all by the Academic Council, took the money of the unfortunate students who wanted to study, never gave the money back and of the six courses, only two were finally approved by the Academic Council.

**Mrs Dookun-Luchoomun:** Madam Speaker, the Tertiary Education Commission is following the situation closely and they are taking necessary measures to ensure that no students are penalised in any way.

**Mr X. L. Duval:** Surely, Madam Speaker, this is not sufficient, this is not acceptable. These people have paid for the courses and disciplinary action should be taken against whoever is responsible for this *maldonne*.

**Mrs Dookun-Luchoomun:** Madam Speaker, I am advised that in reality all the programmes for the March 2017 intake have been approved by the Academic Council.

**Mr X. L. Duval:** Madam Speaker, I want to know whether the six courses in the Health Sciences - we can come back on this if the hon. Minister is being misled - were advertised, none of them had previously been approved by the Academic Council which is the requirement and only two were finally approved?

**Mrs Dookun-Luchoomun:** Madam Speaker, I am aware of this particular case and I have been told that there was, in fact, a technical problem in the procedures and eventually it was rectified.

**Mr X. L. Duval:** Madam Speaker, I would like to ask the hon. Minister whether this must be one of the only Universities in the world with no actual Professor working at that University.

**Mrs Dookun-Luchoomun:** Madam Speaker, to become a Professor there are certain requirements. You need a number of years of service, you need a number of papers that you have submitted and you need to have published certain papers. If as yet no one has done it, I cannot expect them to have Professors. There is a proper procedure to nominate Professors. So, I expect that the University under the guidance of the Tertiary Education Commission will do the same.

**Mr X. L. Duval:** Madam Speaker, may I ask the hon. Minister whether she is aware that there has been no promotion for academic staff for the last six years and no promotion for non-academic staff for the last nine years?

**Mrs Dookun-Luchoomun:** Madam Speaker, the UTM administration has informed the Ministry about this and necessary measures are being taken to provide the UTM with necessary funds to carry out these nominations. As I have said, prior to promotions, officers need to acquire new qualifications. We are talking about a University, we cannot just nominate and promote people until and unless we are satisfied that they have the necessary qualifications.

**Mr X. L. Duval:** No surprise that staff morale is low, if you have not had any promotion exercise for the last nine years! Madam Speaker, I would like to ask the hon. Minister ...

*(Interruptions)*

...whether she is aware of the five cases of harassment of staff whereby there have been public insults and general harassment leading to two cases of people being hospitalised and two police cases.

**Mrs Dookun-Luchoomun:** Madam Speaker, I have not been informed of any cases of harassment and in case there are such industrial issues, I am sure that it should be reported to us and necessary actions would be taken. I would also like to inform the House that the Tertiary Education Commission does follow such issues with the tertiary institutions.

**Mr X. L. Duval:** I will come back to the TEC in a moment. Madam Speaker, coming to the infrastructure, I have taken the trouble of taking some pictures, myself, in fact, and you will see that this University is still using latrines. Old style latrines!

*(Interruptions)*

You can laugh in a moment!

Stray dogs everywhere! No WIFI for the last year! This is the University of Technology in Mauritius which has no WIFI for the last one year, Madam Speaker. Look at the benches! People are meant to sit in the mud. This is what is supposed to be the creation of the Education Hub in Mauritius. I will table these pictures, Madam Speaker.

**Mrs Dookun-Luchoomun:** Madam Speaker, I have just informed the House in what condition the UTM was set up and how gradually measures were taken to improve the infrastructure. Now, what we are doing is that we are ensuring that they are getting a plot of land and they will be coming up with a UTM Tower. So, we have to give time. I do agree that the conditions are not ideal, but then we are a young country and the UTM is a University that has been set up only 15 years back. So, I cannot expect everything to get perfect overnight. I would like to add, Madam Speaker, that all the improvements that have been brought to the UTM have been over the past two years and I cannot make for the 15 years.

*(Interruptions)*

**Mr X. L. Duval:** Madam Speaker,...

*(Interruptions)*

**Madam Speaker:** Order, please! Order!

**Mr X. L. Duval:** Madam Speaker, I would like to bring...

*(Interruptions)*

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

**Mr X. L. Duval:** I would like to bring to the attention of the hon. Minister...

*(Interruptions)*

**Madam Speaker:** Hon. Shakeel Mohamed, please, don't make provocations, I said!



**Mr X. L. Duval:** ... that as at today's date with only one month left to the end of the Budget year, only Rs2 m. of the Capital budget has been spent up to now. Is she aware of that?

**Mrs Dookun-Luchoomun:** Madam Speaker, all infrastructural projects have to be done following procedures. If procedures sometimes take time, we have to abide by it.

**Mr X. L. Duval:** Is the hon. Minister aware that in five offices belonging to the staff of the UTM, there is no electricity, including the office of the Director General, herself, and they are using *extension* at the University of Technology.

*(Interruptions)*

**Madam Speaker:** Hon. Shakeel Mohamed, please! I am drawing your attention several times now.

**Mrs Dookun-Luchoomun:** Madam Speaker, since we are talking about WIFI, I am informed that there are five new WIFI spots that will be operational this week at the University.

*(Interruptions)*

This week! So, the hon. Leader of the Opposition has the information!

*(Interruptions)*

**Madam Speaker:** Hon. Leader of the Opposition, you have asked your question. From a sitting position, please, do not interrupt the hon. Minister!

**Mrs Dookun-Luchoomun:** Madam Speaker, as far as electrical supply is concerned, in fact, the UTM does have its electrical supply and as I have mentioned earlier, maintenance work has to be carried out.

*(Interruptions)*

**Madam Speaker:** Hon. Jhugroo!

**Mr X. L. Duval:** I am happy to see that the WIFI is coming this week, thank God! Now, let me tell the hon. Minister something else. There are no printers, no photocopiers for students' use. Concerning the equipment at the UTM, the software is so outdated that nobody can use it and it does not match with everything else. I have mentioned the stray dogs. The projectors are broken. It's a disaster!

**Madam Speaker:** No. Ask your question, don't provide information!

**Mr X. L. Duval:** Madam Speaker, it's a complete disaster.

**Mrs Dookun-Luchoomun:** Madam Speaker, I have just mentioned in my answer that procurement procedures are being undertaken for procurement of office equipment for the office work as well as for students.

**Mr X. L. Duval:** Madam Speaker, if the hon. Minister who has never ...

*(Interruptions)*

**Madam Speaker:** Hon. Rutnah!

*(Interruptions)*

**Mr X. L. Duval:** If the hon. Minister ...

*(Interruptions)*

**Madam Speaker:** I am sorry, hon. Leader of the Opposition!

Hon. Rutnah, did you make any remarks on the Chair? If you did, I will ask you kindly to withdraw it.

**Mr Rutnah:** Madam Speaker, I did not make any remarks on the Chair. I simply asked the hon. Leader of the Opposition to give way for backbenchers as well to ask questions.

**Madam Speaker:** Hon. Rutnah, let me just draw your attention to the Standing Orders: the Private Notice Question is the privilege of the Leader of the Opposition. I have seen several hon. Members from the Opposition side also who have asked the floor, but I cannot give them the floor unless and until the hon. Leader of the Opposition has exhausted his questions.

**Mr X. L. Duval:** Madam Speaker, the hon. Member does not know his front from his back because he seems to be sitting in the front. Madam Speaker, he should know the difference between front and back.

Madam Speaker, I want to ask the hon. Minister quite seriously. She should visit, she has not visited ...

*(Interruptions)*

No, she went to a function there, she did not visit the premises.

*(Interruptions)*

**Madam Speaker:** Ask your question!

**Mr X. L. Duval:** I know. I don't come with questions without knowing. Now, I would like to ask and invite the hon. Minister to visit because I think she is being given all sorts of information. Madam Speaker, I would like to ask the hon. Minister whether it would not be essential, appropriate for this University to move to one of the new campuses that have been built, say in Pamplemousses and this, in fact, would be a solution to all the problems that are being witnessed.

**Mrs Dookun-Luchoomun:** Madam Speaker, the University of Mauritius has just asked the Ministry support for it to come up with its UTM Tower. The building at Pamplemousses has got another mandate. It is a polytechnic and if ever there is need for space, at the level of the Ministry and in consultation with the Tertiary Institution, we can envisage giving space. But then I understand from what I have received as request from the UTM that they are planning to come up with their own infrastructure, with their own building, so we will move in that direction.

**Mr X. L. Duval:** Madam Speaker, I would like to come to the grant from the Ministry of Finance. This UTM receives about a tenth, one-tenth of the grant that people going to University of Mauritius. I would like to ask the hon. Minister whether in view of the fact that there are poor families going there, some of these students maybe have not achieved as much, but they deserve a better fate than they are getting now.

I would like to really ask the Ministry of Finance, through the Ministry of Education, that this grant be substantially increased, doubled or trebled to give these poor children from poor families a chance.

*(Interruptions)*

**Mrs Dookun-Luchoomun:** Madam Speaker, I must say that the present Prime Minister and Minister of Finance has shown that he has at heart the future of the children of this country and will take necessary measures to support all the student community of this country. I have no doubt about it.

*(Interruptions)*

**Mr X. L. Duval:** Well, Madam Speaker, I would have expected a commitment, better commitment from the Minister. I would like to say, Madam Speaker, that everything points to one problem at that University and I do not know if she will agree. Everything points to the new Director General, Mrs Ghoorah, everything points to there. She is conflictual, she cannot get on with people, she does not lead anything, she puts in procedures which are so heavy that nobody can get any capital expenditure.

**Madam Speaker:** Hon. Leader of the Opposition, ask your question!

**Mr X. L. Duval:** I am going to ask the question.

**Madam Speaker:** Ask your question! Now, do not make remarks on somebody who is not in the House to defend herself. I have said that several times.

*(Interruptions)*

**Mr X. L. Duval:** Is the hon. Minister going to get rid of this person and appoint someone who is not a political appointee to that post?

**Mrs Dookun-Luchoomun:** Madam Speaker, the Director of the UTM has been appointed on the basis of her qualifications and competencies. I must say that when I took over the Ministry, the UTM had for the past, let's say, 12 years failed to come up with a proper Faculty of Health Sciences and the present Director managed to do it.

Secondly, the present Director has managed to change the number of courses provided from 47 to 60 and, according to me, she is delivering. Now, it would be unfair for me to stand in this House and to point a finger at one individual for all problems and issues that are at the UTM when she has been there for only two years and the problems listed by the hon. Leader of the Opposition date as far back as 10 to 15 years. So, Madam Speaker, let us be fair and let us be true to ourselves. I think that such comments on behalf of the Leader of the Opposition on the Director of the UTM are totally unwarranted.

**Mr X. L. Duval:** I would like to ask the hon. Minister whether she is aware that this Director General comes to work at noon every day.

**Mrs Dookun-Luchoomun:** Madam Speaker, I am not aware of this.

*(Interruptions)*

**Madam Speaker:** Hon. Baloomoody!

*(Interruptions)*

**Mr Baloomoody:** Thank you, Madam Speaker. I get the feeling that the papers which are sent to the hon. Minister by the staff are not correct. There are six courses which have been published. The Minister just mentioned the Faculty of Health. Is she aware that there is a course which is called Diploma in Pharmacy Technician which was advertised in December 2016 without the approval of the Academic Council? The Director of TEC had to intervene and reprimand the Director General for her action and this course was subsequently approved

...

**Madam Speaker:** What is the hon. Member's question?

*(Interruptions)*

**Mr Baloomoody:** But I have to make my point...

**Madam Speaker:** No, I have given the hon. Member time...

**Mr Baloomoody:** On 22 March and up to date, students have paid their fees, this course is still not being run.

**Madam Speaker:** Hon. Baloomoody, what is your question?

**Mrs Dookun-Luchoomun:** Madam Speaker, I have just mentioned, in my answer, that there was a procedural problem with regard to these courses. The Tertiary Education Commission has done the necessary and this shows, as mentioned by the hon. Member, that the Director of TEC did intervene, which shows that we have a system, a regulatory body that is functioning properly, that whenever there is some *maldonne*, some mistake, the TEC will redress the situation.

**Madam Speaker:** Hon Ganoo!

**Mr Ganoo:** Is the hon. Minister aware that the UTM Act provides that the accounts of the UTM and a report must be laid annually on the Table of the Assembly and for years this has not been done?

**Mrs Dookun-Luchoomun:** I thank the hon. Member for drawing my attention to that and I will make sure that this is done.

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

**Mr Mohamed:** Thank you, Madam Speaker, it is clear from all the answers that the hon. Minister has given, that the students of UTM are not benefitting and are not having a proper place where education is being dispensed neither in terms of equipment, neither in terms of quality.

**Madam Speaker:** Ask your question!

**Mr Mohamed:** In the light of such decrepit situation that is being described under her watch, would she consider that all those students who are not being given what they are being paying for, that they be refunded all the fees that they have paid in the light of not taking advantage and abusing those students, playing with their future and throwing their future aside which she is doing?

**Mrs Dookun-Luchoomun:** Madam Speaker, then I would request the hon. Member to mention whether we should also ask to refund students for over the past 15 years!

*(Interruptions)*

**Mr Rutnah:** Madam Speaker, can the hon. Minister confirm that on 23 December 2016, the Cabinet took note that UTM would be added to the list of institutions that is going to be added and recognised by the Medical Council for dispensing high level courses in Health Sciences and if that is not an indication of success and prosperity, then what is it?

**Mrs Dookun-Luchoomun:** I totally agree with the hon. Member.

*(Interruptions)*

**Mr Baloomoody:** Can I ask the hon. Minister whether she is aware that there is no communication whatsoever between the Student Unions and the Director General? So, can I ask the hon. Minister what actions she intends to take to improve communication between the Unions at the University? This is very important. Academic freedom is very important and we need that and this is totally absent due to the attitude of the Director General.

**Mrs Dookun-Luchoomun:** Madam Speaker, I am informed that the management of the UTM has had meetings with the Student Unions.

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

**Mr X. L. Duval:** Madam Speaker, I would like to ask the hon. Minister, in view of the fact that they have about 3,500 students basically from poor families studying there. On

this side, we agree that the situation is terrible; she is saying that the situation apparently is fine. The hon. Prime Minister has the right under the law to appoint an inquiry...

**Madam Speaker:** Yes, hon. Leader of the Opposition, once again, I will ask you to ask your questions, please!

**Mr X. L. Duval:** The hon. Prime Minister has the right to inquire, to appoint an inquiry. Will the hon. Minister, at least, agree - so that the future of these poor students are not jeopardised - on the hon. Prime Minister setting up an inquiry to see who is telling the truth?

**Mrs Dookun-Luchoomun:** Madam Speaker, whenever the need will arise, the Government will take the necessary decision.

**Madam Speaker:** Time is over! Hon. Members, the Table has been advised that PQ B/357, in regard to the Director of the Independent Broadcasting Authority will be replied by the hon. Minister of Technology, Communication and Innovation. PQ B/370, in regard to the members of the Commission of Inquiry on drugs, will be replied by the hon. Prime Minister, time permitting.

Hon. Adrien Duval!

**Mr Bhagwan:** On a point of order, Madam Speaker.

**Madam Speaker:** Yes, can we take your point of order at the end of Question Time, please?

*(Interruptions)*

**Mr Bhagwan:** It concerns PQ No. B/357.

**Madam Speaker:** Yes.

**Mr Bhagwan:** I am making a point of order, Madam Speaker, under Standing Order 41(1). I wish to draw your attention to a point regarding the transfer of what you have just stated of PQ B/357 regarding the remuneration of the ex-Director of the IBA, Mrs Choomka, which I addressed to the hon. Prime Minister and which has been transferred to the Minister of IT, as just announced.

Madam Speaker, I would like to draw your attention that last time we had a PQ on the same institution, namely PQ No. B/342 on the Director of IBA itself. It was replied by the hon. Prime Minister.

Madam Speaker, I strongly protest against this way of proceeding because we all know that when PQs are transferred from the hon. Prime Minister to other Ministers, they come at the end of Question Time. Afterwards, same should be circulated to hon. Members, as is the practice.

Madam Speaker, under Standing Order 25(3), it is clearly stated that questions which are not replied should be placed in the Library in writing. Madam Speaker, however, this is not the case. I have gone to the Library. For the Prime Minister himself, more than 50 questions have not been replied. This is a shame! Is he hiding?

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan, please, sit down!

*(Interruptions)*

Hon. Bhagwan, I have called you to order!

*(Interruptions)*

Hon. Bhagwan! I am being very patient. I have said that several times. I have called you to order at least five times...

*(Interruptions)*

...and you seem not to hear.

*(Interruptions)*

You have not heard!

*(Interruptions)*

It is because your attention was drawn on the other side! Can we now have some order in the House, and can I ask hon. Members not to disrupt the smooth-running of this House?

*(Interruptions)*

We will proceed with Question Time. Hon. Adrien Duval!

*(Interruptions)*



**Mr Mohamed:** Can I take a point of order?

**Madam Speaker:** I will take the point of order of the hon. Member at the end of Question Time.

*(Interruptions)*

I will take it at the end of Question Time.

*(Interruptions)*

The point of order...

*(Interruptions)*

No, please, sit down!

*(Interruptions)*

Please, sit down! I am on my feet!

*(Interruptions)*

Hon. Shakeel Mohamed, I have said - and this applies to all hon. Members of this House - several times, that when the Speaker is on her feet, the hon. Member should sit down. I have observed several times, from both sides of the House, that when I am on my feet and I ask hon. Members to sit down, they do not do so. I expect them, as from now on, to do so, so that there can be decorum and the dignity of the House can be restored. I have already told the hon. Member that I will take his point of order at some other time. A point of order cannot be taken unless that point of order has been solved. It is only after a point of order has been solved that another hon. Member can take another point of order. For me, the matter is closed. The hon. Member may take his point of order at the end of Question Time. Hon. Adrien Duval, please, proceed with your question.

#### **NON- CITIZENS – PROPERTY ACQUISITION**

**(No. B/354) Mr A. Duval (First Member for Curepipe & Midlands)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to the acquisition of property by non-citizens under the Property Development Scheme, the Integrated Resort Scheme, the Real Estate Scheme and the Hotel Investment Scheme, he will,

for the benefit of the House, obtain from the Board of Investment, information as to the number of applications received, since January 2015 to date, indicating in each case the –

- (a) names;
- (b) nationality, and
- (c) proposed number of property acquired/to be acquired and the value thereof.

**The Prime Minister:** Madam Speaker, I am informed by the Board of Investment that, since January 2015 to date, 880 applications have been submitted under the four Schemes, namely the Integrated Resort Scheme (IRS), Real Estate Scheme (RES), Invest Hotel Scheme and Property Development Scheme, which replaced the IRS and the RES. Details regarding the applications received are as follows -

- under the Integrated Resort Scheme – 339 applications;
- under the Real Estate Scheme – 479 applications;
- under the Invest Hotel Scheme – 1 application, and
- under the Property Development Scheme – 61 applications

Out of the 880 applications, 737 residential units have been approved; one application has been rejected; 29 applications are under process at the Board of Investment; 50 applications have lapsed, and the remaining 63 are awaiting signature under *Vente en l'Etat Futur d'Achèvement (VEFA)*.

Madam Speaker, it would not be proper to give the names and nationality of the persons who have invested in the acquisition of a residential property under those Schemes.

**Madam Speaker:** Hon. Adrien Duval!

**Mr A. Duval:** Thank you, Madam Speaker. With regard to Mr Alvaro Sobrinho who has purchased a villa at Royal Park, will the hon. Prime Minister state, first of all, when he applied and obtained permission, and what were the checks that were being carried out by the BOI in relation to this?

**The Prime Minister:** This question has already been answered in a recent PNQ that was asked by the hon. Leader of the Opposition.

**Madam Speaker:** Hon. Rutnah!

**Mr Rutnah:** Thank you, Madam Speaker. Can the hon. Prime Minister state if he has the figures, how many residential units have been sold since 2015 to now as compared to 2005 until 2010? If he does not have the figures, perhaps they can be laid later on.

**The Prime Minister:** Madam Speaker, since 2005, a total of 2,246 residential units have been sold under the various schemes. Let me add that the number of units sold was 1,509 for the period 2005-2014, that is, in ten years. Since 2015, about only two years, 737 IRS/RES units have been sold, which represents around 50% of the total sales that were made in the ten years. Now, this is also reflected in the FDI figures in real estate, which rose from Rs4 billion in 2014 to Rs6.8 billion in 2015 and Rs7.9 billion in 2016. This shows, in fact, Madam Speaker, the confidence that foreigners have in not only real estate, but in the country and in the fact that the economy is growing rapidly.

**Madam Speaker:** Hon. Adrien Duval!

**Mr A. Duval:** Coming back to Mr Sobrinho, given that *un contrat préliminaire de vente* has already been signed for Royal Park and money has been transferred in an escrow account and that the BOI will be deciding on the application for 131 villas, will the hon. Prime Minister give assurances that these will be rejected or at least frozen until all the investigations against Mr Sobrinho, overseas and in Mauritius, are completed?

**The Prime Minister:** When the BOI receive the applications, they will carry out their normal due diligence and, in the light of that, it is the BOI that will decide on the applications. So, I cannot substitute myself, as the hon. Member is saying, for institutions and reply to his request.

**Madam Speaker:** Last question!

**Mr A. Duval:** The hon. Prime Minister does have one of his Advisers as Chairman of the Board of Investment. Does he not think that there should be tighter control with regard to the BOI for the acquisition of property by non-citizens who have doubtful reputation, where suspicion of illicit money is in their possession and that it might be used to acquire property in Mauritius?

**The Prime Minister:** Well, those controls, Madam Speaker, have existed since the time when hon. Leader of Opposition was Minister of Finance, and we all know that BOI has always fallen under the responsibility of the Minister of Finance. So, I am surprised that it is only now that those same very controls are being questioned by the hon. Member. But I can

assure the House that we will look at each application and the same due diligence will apply according to principles that are long-standing and established, and it is the same principles that avail in some other transparent jurisdictions that will apply.

**Madam Speaker:** Next question, hon. Adrien Duval!

**Mr A. Duval:** I have a last supplementary on this question...

**Madam Speaker:** No, next question!

### **MBC – DIRECTOR OF NEWS - POST**

**(No. B/355) Mr A. Duval (First Member for Curepipe & Midlands)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to the Mauritius Broadcasting Corporation, he will, for the benefit of the House, obtain therefrom, information as to if the post of Director of News is presently vacant and, if so, indicate the –

- (a) date when the vacancy occurred, indicating the expected date of filling thereof and
- (b) name of the last incumbent thereof, indicating the remuneration drawn.

**The Prime Minister:** Madam Speaker, section 15(1) of the Mauritius Broadcasting Corporation Act provides that the Board may appoint, on such terms and conditions as it thinks fit, such employees as it considers necessary for the proper discharge of its functions under the Act.

In regard to part (a) of the question, I am informed by the Director General of the Mauritius Broadcasting Corporation that the post of Director of News has not been filled in a permanent capacity since the departure on pre-retirement leave of the then substantive holder on 24 May 1991.

From 25 May 1991 to 19 June 2007, the post of Director of News was filled in a temporary capacity by way of assignment of duties, to serving staff of the Corporation.

For the period 20 June 2007 to 31 December 2014, the post of Director of News was occupied on a contractual basis, successively by two former employees of the Corporation.

Since 01 January 2015 to date, the Board of the MBC has entrusted to Desk Coordinators of the Corporation the responsibility to ensure the smooth running of the News Department, against payment of a responsibility allowance.

Madam Speaker, I am further informed by the Director General that the Pay Research Bureau Report for the MBC was published in February 2017, and in its Report, the PRB has provided for two different salary scales for the post of Director of News, namely -

- (i) Director of News with salary ranging from Rs64,800 to Rs86,000 monthly to future holders of the post, and
- (ii) Director of News with salary ranging from Rs62,950 to Rs98,000 monthly on a personal basis to any serving incumbent although this post is vacant at present.

I need to point out that all officers of the MBC have opted for the revised salary and terms and conditions of employment that are recommended in the 2016 PRB Report.

Madam Speaker, I am informed that, the MBC Board, at its meeting on 13 March 2017, has approved the setting up of a Monitoring Committee to look into the implementation of the recommendations contained in the PRB Report for the MBC. The Monitoring Committee comprises of representatives of both management and the Union of the Mauritius Broadcasting Service Staff Association.

The Monitoring Committee has already drawn up a list of vacant posts to be filled by the Corporation, on a need and priority basis, and the post of Director of News, as recommended by the PRB, has been included therein.

The Scheme of Service for the post of Director of News has also been finalised and the MBC Board will be called upon shortly to approve the modalities for the filling of the vacancy through internal advertisement.

Madam Speaker, in regard to part (b) of the question, I am informed by the Director General of the MBC that Mr Seeneevassen Armoogum was the last incumbent of the post of Director of News on contract. He served in that capacity from 01 June 2013 to 31 December 2014 and was paid a monthly basic salary of Rs92,000, a monthly *ad hoc* allowance of Rs8,000 and a monthly commuted travelling allowance of Rs10,200.

**Mr A. Duval:** Is the hon. Prime Minister aware that there is one Mr Ashok Beeharry who was filling in the post of Director of News until recently and who now sits in the same office and apparently he is paid the same remunerations, but has no official posting, in fact, no role, no work at all at the MBC, he is paid to sit in an office which is no longer his? Is he aware of that?

**The Prime Minister:** No, I am not aware that he is sitting in an office and being paid the salary of Director of News. This is...

*(Interruptions)*

Well, he is paid a salary because he is working there! Of course, he is paid a salary! He was Director of News, but I am informed that he had requested to be relieved from that responsibility. Now he is currently responsible for vetting and rewriting of news items.

**Mr A. Duval:** I understood from the answer that there are two persons now, Desk Coordinators, who are filling in for the post of Director of News. Will he, first of all, give their names or give the qualifications for the ones who are currently filling in?

**The Prime Minister:** Actually, there are Mr Jugdish Jattoo and Mr David Boodhna, who both of them have assumed this responsibility since 01 March 2015 up to date. Qualifications, I don't have them with me, but I can table them later on.

**Madam Speaker:** Yes, last question, hon. Bhagwan!

**Mr Bhagwan:** Thank you, Madam Speaker. We are talking about news. Section 4(e) - Head of News - of the MBC Act clearly states that –

“(...) news bulletins broadcast are accurate and presented in an impartial manner.”

So, can the hon. Prime Minister inform the House - I am sure he is aware that people are paying Rs150, payment of salaries of all these people...

**Madam Speaker:** No!

**Mr Bhagwan:** I have not finished, Madam Speaker.

**Madam Speaker:** Hon. Bhagwan!

**Mr Bhagwan:** I am asking a question.

**Madam Speaker:** No! The hon. Member is asking his question, I agree. The question relates to the post of Director of News, the date the vacancy occurred, the name of the

incumbent. We cannot here make a general policy statement about the MBC. If the hon. Member asks his question within the contents of the main question, it is agreeable, but his question relates to policy of the MBC, which is not....

*(Interruptions)*

I am sorry; I will not be able to accept that question!

**Mr Bhagwan:** Madam Speaker, my question is directly to that. I am coming directly to that.

**Madam Speaker:** No, come directly to the main question!

**Mr Bhagwan:** Yes, I am coming directly. Can the hon. Prime Minister inform the House and those paying Rs150 per month, that the News Department, Head of News is not working properly, that they are all frustrated because there is a mafia through the Advisers of the Prime Minister and one Mr Anooj Ramsurrun there taking directly from *bâtiment du Trésor* and the Prime Minister?

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan!

*(Interruptions)*

Hon. Bhagwan!

*(Interruptions)*

No, from a sitting position, I have said several times!

**The Prime Minister:** Madam Speaker, the MBC can only relate the truth and more so in terms of the pictures that it can carry...

*(Interruptions)*

**Madam Speaker:** Order, I have said!

*(Interruptions)*

**The Prime Minister:** *Attan!*

*(Interruptions)*

**Madam Speaker:** Order!

*(Interruptions)*

Order!

*(Interruptions)*

Order!

*(Interruptions)*

Order, hon. Baloomoody!

*(Interruptions)*

Hon. Bhagwan!

*(Interruptions)*

Hon. Bhagwan, we know we have a very long day today. Right! I believe some Members of this House are finding that the day is too long and that they want to go out.

*(Interruptions)*

**The Prime Minister:** Madam Speaker, I was saying that the MBC cannot be responsible if the MMM has gathered a few hundreds of people...

*(Interruptions)*

...a few hundreds of people...

**Madam Speaker:** Order!

*(Interruptions)*

Order!

*(Interruptions)*

Order!

*(Interruptions)*

Order, please!

*(Interruptions)*

Order! Order!

*(Interruptions)*



Hon. Bhagwan, please!

*(Interruptions)*

On both sides of the House!

*(Interruptions)*

Hon. Baloomoody!

*(Interruptions)*

Hon. Bhagwan!

*(Interruptions)*

Hon. Baloomoody and hon. Bhagwan, I am drawing your attention that I am on my feet! A few minutes back, I said that when I am on my feet, the House...

*(Interruptions)*

Now, hon. Bérenger, please! Please! I just said a few minutes back that when I am on my feet, the House should be silent. Now, I understand and I repeat what I have just said, we all know and you know fairly well that we have a long day and that maybe some of you are finding that the day will be too long for them, they want to go out.

*(Interruptions)*

This is what I think is happening. Can we have...

*(Interruptions)*

Now silent, I said!

*(Interruptions)*

Silent!

*(Interruptions)*

Hon. Bérenger, let me tell you that my comments - you do not have now to argue with the Chair. This is not allowed. I will not allow you to argue with the Chair. I will not allow this.

**Mr Bérenger:** Shame on you!

**Madam Speaker:** Shame on you!

*(Interruptions)*

This is not allowed.

*(Interruptions)*

Shame on you! I will not allow this! Order! Order, please!

*(Interruptions)*

I will kindly request hon. Members, I do not know why the Opposition took it on them to say that my comments were addressed to them. I did not say that my comments were addressed to the Opposition. I said to all Members of this House.

*(Interruptions)*

My comments were made to all Members of this House and I cannot understand why the Opposition took these for them. So, can we now have some order in this House?

Next question, hon. Baboo!

*(Interruptions)*

Please, sit down!

Hon. Adrien Duval, please, sit down! I am on my feet, please, sit down! Hon. Adrien Duval, do you want me to order you out? You were a Deputy Speaker...

*(Interruptions)*

Hon. Adrien Duval, please, silent, and do not argue with the Chair! Silent!

*(Interruptions)*

Hon. Adrien, please, do not argue with the Chair!

*(Interruptions)*

Do not argue with the Chair! No, I am on my feet. Please! Hon. Adrien Duval, you have been...

*(Interruptions)*

Hon. Adrien Duval, you continue now.

*(Interruptions)*

Hon. Mrs Perraud, what is this? You are provoking...

*(Interruptions)*

I am on my feet, sit down! I am on my feet, sit down!

*(Interruptions)*

Hon. Adrien Duval...

*(Interruptions)*

Now, order on this side! Hon. Maneesh Gobin, what is happening?

*(Interruptions)*

Hon. Gobin!

*(Interruptions)*

Hon. Adrien Duval, you were a Deputy Speaker, and you know perfectly well that...

*(Interruptions)*

Don't argue with me, when I am giving a ruling!

*(Interruptions)*

Please! Don't you have any respect for the Chair?

Hon. Adrien Duval, you were a Deputy Speaker, and you know fully well that when the Speaker is on her feet, you have to sit down. I have had to call you to order at least four times so that you can sit when the Speaker is on her feet. I just asked all hon. Members to adhere to the rules of the House. This is what I am asking.

Yes, hon. Leader of the Opposition!

**Mr X. L. Duval:** I am going to ask for your good sense. Since the opening of Parliament, there had been Prime Minister's Question Time and it is easy for us to go back in Hansard to see how many supplementaries have been given to Members on the Government side.

Now, do you really want to have *deux poides deux mesures* - this Member has only had two supplementaries, whereas in the past, you had given tens upon tens of supplementaries to Members on the Government side.

**Madam Speaker:** Hon. Leader of the Opposition, I believe now that you are questioning the Chair. You do not have the right or the privilege to question the Chair on the number of supplementary questions I do give to anybody.

I know how I time the supplementary questions, how many questions I give. I am giving this only for your own explanation. I do not have any explanation to give to any Member of this House, because I see several times...

*(Interruptions)*

Wait! Because several times, I have seen Members on the other side - hon. Rutnah, I must say, harasses me for questions...

*(Interruptions)*

...and I don't give. I can say that. Anyway, the privilege of giving...

*(Interruptions)*

Order, please! Order! If you want, hon. Leader of the Opposition, you have the privilege; you can come with another motion against the Chair, again. I do not have any qualms about this. If you say that you have gone through the Hansard and you have seen the number of supplementary questions I gave, then you are free, you have the privilege of coming again with a motion against the Chair. But I will continue and I will say that Question Time will soon be over for the hon. Prime Minister. We have lost the time of the House, and now that is closed.

Hon. Baboo...

*(Interruptions)*

No, sit down! Please, sit down! Hon. Baboo, next question!

*(Interruptions)*

**Mr A. Duval:** Madam Speaker, may I take a point of Order? Madam Speaker, you said that, having been Deputy Speaker, I should know, you should know as well, Madam Speaker, the practices, that when a mover of a question is given the last supplementary question, it is the practice. I was not given my supplementary question, you gave it to hon. Bhagwan, which I have no problem, but I should have been given my last supplementary question. This is a practice.

**Madam Speaker:** No. Hon. Member, I don't have to argue with you on any ruling which I give to the House and this is in the Standing Orders that you cannot argue. Now, I see how I manage with supplementary questions.

What happens is that, very often, I am blamed that the hon. Prime Minister has replied to only three questions during Prime Minister's Question Time.

*(Interruptions)*

Now, if I continue to give you...

*(Interruptions)*

Can we have some order in the House? Order, please!

*(Interruptions)*

Order, please! I would request any hon. Member of this House to come with a motion against the Chair again if he is not satisfied. Next question, hon. Baboo!

*(Interruptions)*

Is that enough! I invite hon. Members even from the Opposition side or from Government side to come with a motion against the Chair if they are not satisfied, but that is the end of the matter because you cannot act in the way that you are doing. I had drawn attention several times to several points of order. I had drawn attention to the fact that when the Speaker is on her feet, there should be silence in the House. And I can say how many times this has been adhered to!

I have had questions also on supplementary questions. I was not bound to give any explanation to anybody on the way that I allocate the floor to any Member of this House, but out of democratic principles I did.

Now, I believe this is the end of the matter. I ask the next question, hon. Baboo. If you do not want to ask your question it is up to you, but I have asked you several times to ask your question.

*(Interruptions)*

No! Next question, hon. Bhagwan!

*(Interruptions)*

Time is over!

Hon. Members...

**Mr Mohamed:** On a point of Order, just as a friend, do you need a break, to breathe in and to calm down?

*(Interruptions)*

**Madam Speaker:** Please, sit down! Hon. Shakeel Mohamed, I order you out! I order you out!

*(Interruptions)*

We will proceed to questions to Ministers now.

*(Interruptions)*

Hon. Members, I am...

*(Interruptions)*

Hon. Members, Question Time for Prime Minister is over! I am passing on to questions to Ministers. The Table has been advised that Parliamentary Question No B/387, in regard to the renewal of the Power Purchase Agreement with Alteo will be replied by the hon. Deputy Prime Minister, Minister of Energy and Public Utilities.

Parliamentary Question No. B/395, in regard to the Marlborough Social Centre at Les Salines, will be replied by the hon. Minister of Gender Equality, Child Development and Family Welfare.

Parliamentary Question No. B/400, in regard to the pulling down and replacement of houses containing asbestos, will be replied by the hon. Minister of Social Security, National Solidarity, and Environment and Sustainable Development.

Hon. Jhuboo!

### **AQUACULTURE PROJECTS - LEASES**

**(No. B/366) Mr E. Jhuboo (Third Member for Savanne & Black River)** asked the Minister of Ocean Economy, Marine Resources, Fisheries and Shipping whether, in regard to the aquaculture projects, he will state the –

- (a) number of concessions granted therefor, indicating in each case the –
  - (i) extent thereof, and
  - (ii) category thereof, and

- (b) number of leases granted therefor, indicating in each case, the –
  - (i) duration thereof, and
  - (ii) yearly rent/fee payable therefor.

**The Minister of Business, Enterprise and Cooperatives (Mr S. Bholah):** Madam Speaker, with your permission, I will reply to this question.

I would like to refer the hon. Member to the reply made to Parliamentary Question No. B/47 where the substantive Minister of Ocean Economy, Marine Resources, Fisheries and Shipping mentioned that in accordance with Government Notice No.106 of 2015, 31 sites have been identified of which 20 are meant for large scale aquaculture activities and 11 sites are meant for small scale aquaculture projects.

Out of the 11 sites which are meant for small scale activities, 10 sites on which Floating Cage Structures have been placed, have been allocated to Fishermen Cooperative Societies throughout the island. Furthermore, to promote aquaculture, letters of authorisation have been issued to six promoters to carry out aquaculture projects in six *barachois* which have been vested in the Ministry of Ocean Economy, Marine Resources, Fisheries and Shipping. I would like to mention that these *barachois* are still vested in the Ministry of Ocean Economy, Marine Resources, Fisheries and Shipping and which has authorised the promoters to undertake aquaculture activities against set conditions. If at any time these conditions are not respected, the Ministry may retrieve them. Each authorisation for *barachois* is for a period of between three to five years.

In regard to part (a) of the question, I am informed that only those sites which are meant for large scale aquaculture projects require concessions.

Five concessions have been granted to the *Ferme Marine de Mahebourg* and six are in the process of securing the EIA licence, seven sites are committed and two sites are still available. The extent of sea concessions for aquaculture is regulated under the Fisheries and Marine Resources Act. The size is standard irrespective of the location of the site. Each aquaculture concession is of a radius of up to 300 meters around the GPS coordinates of a site.

Regarding part (b) of the question, I have already mentioned that five concessions (lease) have been granted so far. Each lease extends over 20 years which is renewable for an additional period of 20 years. The annual lease rate amounts to MUR100,000 per site.

As regards part (c) of the question, aquaculture sites for large scale activities are located outside known fishing grounds to limit impact on fishermen operating in these regions. As such, there are no adverse impacts on the day-to-day operations of the fishermen community.

In addition, the concessionaires need to consult the fishermen community operating in the region prior to the implementation of any aquaculture project to comply with the requirements of the EIA licence. The aim of these consultations is to explain the opportunities that will be available to fishermen eventually and clear out any issue.

As regards part (d) of the question, only large scale aquaculture projects require an EIA licence prior to implementation of the project. The EIA ensures that the aquaculture companies take all necessary precautions to prevent any negative impact on the ecosystem. The activities are monitored by a committee at the level of the Ministry of Social Security, National Solidarity and Environment and Sustainable Development and which comprises officers of the Ministry of Ocean Economy, Marine Resources, Fisheries and Shipping to ensure that the concessionaire is compliant with the conditions set out in the EIA licence. In addition, seabed samples are taken to monitor the impact of marine fish farming on the ecosystem.

**Mr Jhuboo:** Thank you, Madam. Concerning the large-scale aquaculture at sea, can we know from the hon. Minister whether before embarking on such an important and strategic project a proper scientific survey, research, study has been commissioned by Government to identify the adverse impact of such an industry on the local ecosystem?

**Mr Bholah:** Well, as I said earlier, it is the EIA licence that looks after these conditions.

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

**Mr Jhuboo:** Madam Speaker, Government has decided to grant concessions in the regions of Trou d'Eau Douce, Grand' Baie, Pereybere and Le Morne, basically in all touristic areas. Now, in Reunion Island, they have what we call *la crise requin*, the proliferation of



deadly shark attacks due to the presence of an aqua farm in the region of Saint-Paul. Is the Minister, the Ministry, the Government prepared to take such a risk?

**Mr Bholah:** Well, we are very cautious and we do care for the lives of our countrymen, be it swimmers or whoever, and we will ensure that such things do not happen.

**Mr Jhuboo:** Madam Speaker, the crisis, *la crise requin à La Réunion* basically led to the collapse of the tourism industry there. Now, will the hon. Minister agree with me that we cannot have aqua farming projects in touristic regions?

**Mr Bholah:** Well, I take the point of the hon. Member and I will pass on the message to the substantive Minister.

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

**Mr Ganoo:** Madam Speaker, can I ask a supplementary, please?

**Madam Speaker:** No, next question I have said, hon. Jhuboo!

*(Interruptions)*

Please, sit down! Hon. Ganoo, please, sit down!

*(Interruptions)*

Can you, please, sit down? When I am on my feet, can you, please, sit down?

*(Interruptions)*

Hon. Ganoo, in fact, I have seen you raising your hand. But, I have said...

*(Interruptions)*

I have seen you raising your hand and asking for the floor, but I have said several times that it is for the Speaker to decide whether a question has been sufficiently canvassed or not. I have noted the time that we have started that question. Three questions have been asked already by hon. Jhuboo and I feel that it is fair to other Members of this House whose questions appear on the agenda that their questions also are replied.

*(Interruptions)*

No, I am not arguing on this again!

*(Interruptions)*

**Mr Ganoo:** But, this is a point of order!

**Madam Speaker:** Yes, what is the point of order of the hon. Member?

**Mr Ganoo:** My point of order is, since hon. Jhuboo has started to ask his questions you were writing in your papers and you did not even look at this side of the House. I was raising my hand. Now, he has asked three questions. What prevents you from giving me leave to ask another question?

**Madam Speaker:** Hon. Ganoo, you also you have been a Speaker and you know fairly well what are the rules of the game.

*(Interruptions)*

Hon. Ganoo...

*(Interruptions)*

Hon. Ganoo, you cannot question the Chair. This is the basic rule of Parliament and now you are questioning me. I will not allow this!

*(Interruptions)*

I have said don't question me, hon. Ganoo, please!

*(Interruptions)*

I have said, I am patient with everybody but once, twice and thrice I can't continue for people to argue with the Chair! This has become a habit now that people question the Chair. And, I will take...

*(Interruptions)*

Now, I will take this opportunity to make an announcement to this House following what has happened. Let me say that despite my endeavour to maintain order in the House so as to ensure the smooth running of business, I note with concern that some hon. Members behave in such a manner that is not conducive to serenity in this august Assembly. My repeated calls to order seem to fall on deaf ears.

My different appeals to hon. Members from both sides of the House to avoid making provocative remarks, more especially during passionate debates, are more often simply ignored. Worst, some elementary rules of parliamentary practices are simply disregarded and not complied with. I would not say with a majority of the Members of the House, but with a minority of hon. Members. For example, very often, these Members do not take their seats

when the Chair is on her feet. I just drew attention several times to this. I have to keep on reminding them that when I am on my feet, the House has to be silent.

On the other area where I really find some hon. Members' attitude really incomprehensible, not to say unfair, is the attitude of certain Members on Question Time on which we are now, especially when supplementary questions are being asked. Supplementary questions relate to Standing Order 26(1), that is, to be asked for further elucidation of the information requested and must not introduce a matter not included in the original question. It is for the Speaker to decide on the relevance and the number of supplementary questions which is to be asked. It is at the discretion of the Speaker to decide if the matter has been sufficiently canvassed and this cannot be questioned.

Now, all these are provided in the Standing Orders and I must remind hon. Members that these Standing Orders have been voted by the House and the Chair has an obligation to see that these are enforced. So, my duty is to safeguard the authority of the Chair and to preserve the dignity of the House.

Hon. Members, may I kindly remind you that it is your duty as well to uphold the dignity of the House and, in so doing, to scrupulously observe the rules and procedures provided for in our Standing Orders. I am making and I hope so that I am making an ultimate appeal to the tiny few from both sides of the House to make amends more particularly in view of the fact that the proceedings now are broadcast live and that we are being watched not only by the whole population over here, but that we are being watched internationally.

Hon. Members, any unruly behaviour may lead to a loss of public confidence in our institution if we are not careful. So, I rely on all your cooperation.

Thank you.

Next Question, hon. Jhuboo!

#### **NATIONAL CSR FOUNDATION - NGOS - REPRESENTATIONS**

**(No. B/367) Mr E. Jhuboo (Third Member for Savanne & Black River)** asked the Minister of Social Integration and Economic Empowerment whether, in regard to the Corporate Social Responsibility, he will state if, following the introduction of the new policy in relation thereto, he has received representations from the Non-Governmental Organisations to the effect that they are not in a financial position to maintain the level of services provided

as at to date and, if so, indicate the outcome of the discussions held, if any, in respect thereof and the proposed solutions thereto.

**Mr Wong Yen Cheong:** Madam Speaker, a new CSR Framework was announced in the Budget 2016/2017 with a view to ensuring greater transparency and better outcomes in the implementation of the CSR programmes whereby businesses would be required to contribute 50% of their CSR funds to the National CSR Foundation in 2017 and at least 75% in 2018. The remaining balance would be used by businesses to implement their CSR programmes according to their own CSR framework.

I am informed that on 18 April 2017, the National CSR Foundation invited NGOs and non-profit making organisations to submit project proposals based on the new guidelines prepared by the Foundation. By the closing date on 02 May 2017, 235 project proposals have been received from 156 NGOs.

Following representations from stakeholders, the Foundation has extended the closing date for submission of projects from NGOs to 12 May 2017. The Foundation is currently processing applications which have already been received. As announced in my reply to the Private Notice Question of the hon. Leader of the Opposition on 11 April 2017, the Foundation expects to make a first disbursement of funds to eligible NGOs within the approved priority areas of intervention before the end of the current financial year.

Madam Speaker, I am informed that 11 NGOs have in fact made representations to my Ministry and the Foundation to the effect that they are facing financial difficulties to maintain their level of services.

It was explained to the NGOs that this year, businesses are allowed to use 50% of their CSR funds according to their own CSR framework. It, therefore, follows that NGOs would continue to benefit from contributions from the private sector.

In addition, it must be pointed out that Government provides direct financial support to NGOs yearly from the Government Budget. For the Fiscal Year 2015/2016, an amount of Rs275 m. was provided and for Fiscal Year 2016/2017 an amount of Rs322 m.

Moreover, the NGOs can seek funding of their projects under the Decentralised Cooperation Programme which is a European Union funded initiative and operates under the aegis of my Ministry. The latest Decentralised Cooperation Programme initiative for a total amount of Rs80 m. has started in January 2016 and will last till October 2019. Under this initiative, a call for proposal was launched in August 2016 where grant of a maximum

amount of Rs4 m. each will be funded. The award of the grant is expected by mid-June this year.

In regard to the National CSR Foundation, I wish to point out that disbursement of funds to the NGOs would be made according to the guidelines approved by the Foundation.

Madam Speaker, Government acknowledges the good work being undertaken by the NGOs and would like to provide them with all possible assistance so that they can continue their operations.

**Mr Jhuboo:** Madame la présidente, la grande majorité des ONG sont au bord de l'asphyxie. Le ministre vient de mentionner que ce n'est qu'au mois de juin que les fonds vont être débloqués et cela fait presque neuf mois que le *CSR Foundation* est en place et neuf mois qu'une seule roupie n'a pas été déboursée aux ONG. *Can I ask the hon. Minister to give an urgent attention to the disbursement of the funds to the NGOs?*

**Mr Wong Yen Cheong:** Madam Speaker, as I have pointed out, Government is already financing at the tune of Rs322 m. to NGOs. I agree with the hon. Member and I have urged the Foundation not to wait until the end of June to start the payment. They can go and start analysing all the proposals and they can start the payment as soon as possible.

**Mr Ameer Meea:** The hon. Minister mentioned the last PNQ by the hon. Leader of the Opposition whereby the latter made a request so that, in the meantime, NGOs are not receiving the money, the Board members as well should not receive any money in relation to this issue. So, can I ask the hon. Minister whether this request has been acceded or are they receiving their monthly pay?

**Mr Wong Yen Cheong:** Madam Speaker, I do not have this information, if they are receiving their salary or not. For sure, they are working and I cannot understand why they should not.

**Mrs Perraud:** I would like to ask the hon. Minister if he is aware that NGOs are having great difficulties concerning the running cost of their NGOs, if yes, what is the Ministry or the National CSR Foundation doing because they have set new criteria to remedy to this situation.

**Mr Wong Yen Cheong:** Madam Speaker, I believe that I have given the answer three times to this question.

**Mr Ganoo:** The hon. Minister has answered with regard to the funds that the NGOs have received from Government. My question to the hon. Minister is: since the introduction

of the new policy last year, can he inform the House out of the 50% that private sector can keep for themselves, how much have been disbursed to the NGOs?

**Mr Wong Yen Cheong:** Madam Speaker, if the private sector needs to fund the 50%, they can go ahead according it is in line with the priority areas. We would not know, up to now, how much the private sector is giving, but I know they have given. Last week, I went to the MCB Foundation, which was funding the cycling federation I think.

**Mr X. L. Duval:** I am sure the hon. Minister is aware that there were 600 NGOs that were previously registered at NEF. Now, apparently, only 146 have applied for some sort of funding. What is going to happen to the difference? Are they just going to die?

**Mr Wong Yen Cheong:** I said that 235 project proposals have been received from 156 NGOs. They have to apply. I have extended it up to 12 May.

**Madam Speaker:** Hon. Uteem!

**Mr Uteem:** Thank you, Madam Speaker. Would not the hon. Minister agree with us that it is as a result of the delay in setting up the CSR Foundation and the delay for the CSR Foundation to call for NGOs to come forward that today Rs400 m. are not being distributed to those NGOs? If this is the case, would the hon. Minister consider liaising with the hon. Prime Minister and Minister of Finance and Economic Development to consider if a delay can be given for the implementation of the transfer of 50% of the CSR Fund to the CSR Foundation just for this one year because it is as a result of the delay from the Government side that these NGOs are not being financed?

**Mr Wong Yen Cheong:** Madam Speaker, in fact, if all of the private sector wants to fund up to 100%, they can do it according they are in line with the priority areas that have been defined.

*(Interruptions)*

**Madam Speaker:** Hon. Jhuboo, next question!

#### **BASIC INVALIDITY PENSION – ELIGIBILITY**

**(No. B/368) Mr E. Jhuboo (Third Member for Savanne & Black River)** asked the Minister of Social Security, National Solidarity, and Environment and Sustainable Development whether, in regard to the Basic Invalidity Pension granted to persons with more than 60% incapacity, he will state –

- (a) since January 2015 to date, the number of persons who were eligible thereto, indicating the -
  - (i) number thereof whose pension has been cancelled and
  - (ii) amount of money disbursed therefor, and
- (b) if consideration will be given for a review of the -
  - (i) ceiling of 60% invalidity, and
  - (ii) appeal mechanism therefor.

**The Minister of Gender Equality, Child Development and Family Welfare (Mrs F. Jeewa-Daureeawoo):** Madam Speaker, I am informed by the Ministry of Social Security, National Solidarity, and Environment and Sustainable Development that, among the various pension schemes, the Ministry administers the Basic Invalidity Pension, which is payable subject to a medical assessment where an applicant is found to suffer from a disability which is not less than 60% and for a period of not less than one year.

The Medical Board assesses the percentage of invalidity for the eligibility of an applicant to the Basic Invalidity Pension, as per section 8 of the National Pension Act and its Sixth Schedule as well as the medical guidelines prepared by a panel of medical specialists. It is to be noted that the said medical guidelines have recently been revised with the collaboration of the Ministry of Health and Quality of Life.

With regard to part (a) (i), during period January 2015 to March 2017, I am informed that 55,470 claimants have been referred to the Medical Board for Basic Invalidity Pension. After assessment, the Medical Board found that 31,470 claimants were eligible to the said pension, while 24,054 were found not eligible. Out of the 24,054 claimants whose pensions have been disallowed, 14,312 appealed against the decision of the Medical Board and only 2,474 appeals were allowed. This means that 11,838 appeals were set aside by the Medical Appeal Tribunal.

With regard to part (a) (ii), I am informed that an amount Rs4.3 billion has been paid to the beneficiaries of the Basic Invalidity Pension for the period under reference.

Concerning parts (b) (i) and (ii) of the question, I am informed that, for the moment, the ceiling of 60% invalidity and the appeal mechanism will not be reviewed.

**Mr Jhuboo:** Madam Speaker, concerning the mechanism of appeal, when someone is aggrieved by the decision of the Social Security Board, he has ten days to appeal, and then he has to go to the Medical Board and then the Medical Board takes around six months to reply. Does not the hon. Minister think that the delay of ten days is too short and the one of six months too long?

**Mrs Jeewa-Daureeawoo:** Well, I do not think the hon. Member is right, Madam Speaker. The delay of appeal is, in fact, one month, and the duration of the appeal is about three to four months. There might be some cases where the delay of the appeal is lengthier, because the applicant has not been able to furnish some documents. For instance, before the Appeal Tribunal, may be more information is needed, a new medical certificate from the treating doctor.

**Madam Speaker:** Hon. Jhuboo!

**Mr Jhuboo:** Il semblerait que le problème est autre, Madame la présidente. La loi fait provision pour chaque personne qui se sent lésée d'être présente au tribunal avec son médecin traitant, et malheureusement, dans la majorité des cas, beaucoup de personnes ne connaissent pas cette provision dans la loi ; elles peuvent se faire accompagner par leur médecin traitant pour mieux défendre leur cas devant le tribunal médical. Est-ce que cette provision peut être mieux circulée, mieux véhiculée auprès des personnes ?

**Mrs Jeewa-Daureeawoo:** Well, if the applicant wants to be accompanied by his treating doctor, I think he can do so.

**Madam Speaker:** Hon. Baloomoody!

**Mr Baloomoody:** The place where the appeal is being held is on the third storey of Astor Court, and it is a problem for those who are handicapped. Can I ask the hon. Minister to look for an opportunity to have a place at the *rez-de-chaussée*, where they do not have to climb stairs, especially those who come for appeal and who have more than 60% incapacity?

**Mrs Jeewa-Daureeawoo:** I will pass on this request to the substantive Minister.

#### YVES CANTIN AREA HEALTH CENTRE - UPGRADING

(No. B/369) **Mr E. Jhuboo (Third Member for Savanne & Black River)** asked the Minister of Health and Quality of Life whether, in regard to the Yves Cantin Area Health Centre, he will state if consideration will be given for the upgrading thereof into a full-



fledged mini hospital, having regard to the increased number of people living in the region which it services.

*(Withdrawn)*

**Madam Speaker:** I suspend the sitting for one and half hours.

*At 1.06 p.m., the sitting was suspended.*

*On resuming at 2.51 p.m. with Madam Speaker in the Chair.*

## ANNOUNCEMENT

### PARLIAMENTARY QUESTIONS – TRANSFER & WRITTEN ANSWERS

**Madam Speaker:** Please, be seated! Hon. Members, in reply to the point of order taken by hon. Bhagwan this morning, I wish to state as follows.

It is a long-established principle that decisions on transfer of questions rest with Ministers and are not a matter on which the Chair seeks to intervene. The principle is clear and is reproduced in Standing Order 22(4).

However, may I draw the attention of hon. Ministers that transfer of questions should be consistent and the transfer of a question for an oral answer should not be such so as to have the effect of depriving a Member of the opportunity to put a supplementary question where the line of ministerial responsibility is not clear-cut.

In regard to the other point raised by hon. Bhagwan to the effect that replies to unanswered questions of a given sitting are not forthcoming, I invite the attention of hon. Ministers to Standing Order 25(3) which provides as follows, I quote –

“If any question remains unanswered when the Assembly adjourns, a written answer shall be sent to the Member who puts the question, and shall be printed in the Official Report.”

I, therefore, request hon. Ministers to kindly govern themselves accordingly.

Thank you.

The Table has been advised that PQ B/369 has been withdrawn.

Hon. Ameer Meea!

**BRITISH AMERICAN INSURANCE CO. (MTIUS) LTD. (FORMER) – ASSETS –  
SALE**

(No. B/371) **Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Minister of Financial Services, Good Governance and Institutional Reforms whether, in regard to the assets, companies and shares held by the former British American Insurance Co. (Mtius) Ltd. and its related companies, excluding the Apollo-Bramwell Hospital and Britam Kenya, he will, for the benefit of the House, obtain information as to if the sale thereof has been finalised and, if so, indicate in each case, the –

- (a) date of sale thereof;
- (b) names of the buyer(s) thereof, and
- (c) price paid therefor.

**Mr Sesungkur:** Madam Speaker, according to the information transmitted to me, the total amount of proceeds from sales of assets, companies and shares amount to approximately Rs4.1 billion. This excludes land and building transferred to the National Insurance Company and the National Property Fund Limited for the estimated value of Rs4.4 billion. I am tabling the information.

**Mr Ameer Meea:** Can I ask the hon. Minister - I don't know whether he will have the information, but even that if he can later table the information about the assets that still remain to be sold because there are some assets that have already been sold and I suppose that's the list which he already gave, but there are many assets which still belong to the ex-BAI, but not yet sold? Can the hon. Minister provide this list? Even if he does not have it, he can later table it.

**Mr Sesungkur:** Madam Speaker, I do not have the information right now, but I will provide this at a later stage.

**Mr Uteem:** Madam Speaker, has the hon. Minister, in the list that he has tabled, included the famous castle? There were apparently a lot of things written about the castle that belongs to the BAI Group. What happened to this castle, has that been sold or has that not yet been sold?

**Mr Sesungkur:** I do not have details of each individual asset which was sold because this has been regrouped by the Special Administrator, but I can find out, and if the hon. Member comes with a specific question, I will answer. Thank you.

**Mr Ameer Meea:** In the list of assets that have already been sold, can I ask the hon. Minister whether the BA Exchange has already been sold, to whom and to what amount?

**Mr Sesungkur:** Yes, Madam Speaker, the BA Exchange has been sold. According to the list I have tabled, it was sold to one Bahadurali Husein Jiwan Hirji for approximately Rs255 m.

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

### **WASTEWATER MANAGEMENT AUTHORITY - FACT-FINDING COMMITTEE - REPORT**

(No. B/372) **Mr S. Baboo (Second Member for Vacoas & Floreal)** asked the Deputy Prime Minister, Minister of Energy & Public Utilities whether, in regard to the Wastewater Management Authority, he will, for the benefit of the House, obtain therefrom, information as to the number of officers thereof who have been suspended since December 2014 to date, indicating in each case, the outcome of the Fact-finding Committee set up to look thereinto, if any, and, if so, table copy of the report thereof.

**The Deputy Prime Minister:** Madam Speaker, with your permission, I shall reply to PQs B/372 and B/393 together.

I am tabling the information regarding these two questions, Madam Speaker. It is considered that it would not be opportune to table the report of the Committees, whether Fact-finding or otherwise, as this may cause prejudice to the employees concerned or to those who depone before the Committee.

**Mr Ameer Meea:** Madam Speaker, can I ask the hon. Deputy Prime Minister if he can confirm to the House whether the Counsels for Wastewater Management were *Me* Kalunde and *Me* Christelle Sohun, both from ex-Collendavelloo Chambers and also how much they have been paid, what were the fees in relation to the employee who was interdicted?

**The Deputy Prime Minister:** Which case? There are a number of cases.

*(Interruptions)*

**Mr Ameer Meea:** The first one.

**The Deputy Prime Minister:** The first one is Mr S. L. There was no committee. The second one is a driver. I don't see any Counsel in there. To which case is the hon. Member referring?

*(Interruptions)*

**Mr Ameer Meea:** The first case.

**The Deputy Prime Minister:** Okay! Well, there was no Counsel in this case. In the first case, there was no Counsel.

**Mr Baboo:** Can the hon. Deputy Prime Minister inform the House as to why were these officers suspended and where are they posted?

**The Deputy Prime Minister:** I understand that all this started when the Chairman was asked to sign a cheque and when he started asking why he had to sign this cheque. This uncovered certain matters which led him to, first of all, set up a Committee of Enquiry and then a Disciplinary Committee, as you will see in the case of Mr P. S. But then, as the disciplinary proceedings went on, new facts came to light and this has led to a committee to investigate the matter. Now, it has taken some time, I know, but, apparently, from what I understand, the matter is far from being simple and the Committee is proceeding with its work.

**Mr Baboo:** May I then ask the hon. Deputy Prime Minister what remedial action has been taken for this particular department to operate, as we are talking about operation of the pumping station?

**The Deputy Prime Minister:** I understand that the Board has taken steps for the operations to continue.

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

**Mr Ameer Meea:** Will the hon. Deputy Prime Minister agree with me that the enquiry committee is taking too long? The suspension of the first officer dates back to April 2016 and for the other one, it dates back to more than eight months. He, himself, in a public statement, stated that the enquiry would take only three months. Therefore, can I ask the hon. Deputy Prime Minister, because this is a human tragedy, there are nine employees who have been suspended and no case has been lodged against them...

**Madam Speaker:** I think he has understood the question of the hon. Member.

**Mr Ameer Meea:** ...and up to now they have not even got the chance to defend themselves in any committee?

**The Deputy Prime Minister:** Well, the matter has, to my understanding, been found to be an extremely complex matter. There are irregularities. I shall keep myself to the word 'irregularities'. I do not know all the facts. I am waiting for the report.

Well, as for the length of the committee, yes, it is true. When I looked at the Board report as to what the Board had found, from the facts that there were on the Board, I expected that this committee will not take more than three months. But, it is taking more time. The committee is chaired by a forensic accountant with two lawyers. They are proceeding in despatch with the case. I cannot press them to go more in haste than what they are, but I expect them to do their work diligently, of course.

**Madam Speaker:** Hon. Adrien Duval!

**Mr A. Duval:** Thank you, Madam Speaker. May I ask the hon. Deputy Prime Minister, with regard to the disciplinary committees, if he will give the names of who chaired on each occasion the disciplinary committees and who represented the company, whether an officer or a Counsel was appointed?

**The Deputy Prime Minister:** The first one was chaired by Mr Goorah, an Engineer and then there were Mr Lutchmeea and Mr Goondea; that was the enquiry committee.

The disciplinary committee, for the first case, was Mr Asireeah; Mrs Surfraz who is the Human Resource Officer of CWA; Mr Asireeah being Human Resource Officer of CEB and Mr Bissessur, Water Resources Unit. The employee was found guilty and his employment was terminated.

The third one, there was no enquiry. Then for the case of one, Mr P. S., the disciplinary proceeding started. There was Mr King Fat, Barrister at law; Mr Neerunjun a former Director of Labour; Mr Appasamy, Principal Engineer of the CEB. Rs15,000 fees were claimed from one, but no fees were claimed by the two others up to now.

There is the committee of enquiry which is chaired by Mr Stephenson, Chartered Accountant, Forensic Accountant. The committee is composed of Mr Dhondee, Barrister at Law. A payment of Rs42,000 was made to the Secretary only. There is also Mr B. François, Barrister at Law. The Secretary is Mr Singaravelloo, an officer of the Central Electricity

Board. No fees have been claimed by the others up to now. I suppose they are going to claim their fees when they finish their work.

There is the case of Mr M. M. where the committee was chaired by Mr Pillay, Barrister at Law; Mr Ramgoolam, Financial Manager and Mr Dusruth. Fees paid to Mr Pillay is Rs86,000. No fees claimed, of course, by Mr Ramgoolam or Mr Dusruth.

The case of Mr S. R. H. was chaired by Mr Dhondee, Barrister at Law, fees paid Rs25,000. No fees for Mr Ah Choon and Mr Damree. In the case of Miss A. R., she was interdicted between February and April. She has been reinstated with a severe reprimand. No fees have been paid in respect of the enquiry as it was a mere internal enquiry. This is all the information that I have.

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

**Mr Ameer Meea:** As I said, nine employees have been interdicted without any charge being levelled against them and all of them were from the operation and maintenance of the wastewater treatment. My question to the hon. Deputy Prime Minister: is there a move to privatise this section of wastewater management, that is, the maintenance of wastewater treatment? Is there any move to privatise it?

**The Deputy Prime Minister:** One should not link two matters which are totally unrelated. Let us deal with the first one first. Nine officers, who were all working at Roche Bois, have been interdicted in the interest of the Authority. Now, this has led to the committee of enquiry which is taking the time that it takes. I have mentioned this. After that enquiry, charges may be levelled against them - yes, there is this new unit that did not exist prior to 2012, I am being told. It is good for record purposes.

After the enquiry, some may have to face charges and others may not have to face charges. It all depends on the report. If there are charges to be levelled they will face disciplinary proceedings where they will have the opportunity of giving the explanations in response to the charges.

With regard to the second matter, that has nothing to do with the privatisation. It is not because of the privatisation that they are being suspended. First of all, there is no indication of any impending privatisation of Roche Bois Pumping Station. Saint Martin is privately run, but there is no indication that the Wastewater Management Authority or the Ministry wishes to privatise Roche Bois as at to date. I don't know what may happen in the near future.

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

**VICTORIA HOSPITAL - OPERATING THEATRES & WARDS - CONSTRUCTION**

(No. B/373) **Mr S. Baboo (Second Member for Vacoas & Floreal)** asked the Minister of Health and Quality of Life whether, in regard to the project for the construction of the new building complex of the Queen Victoria Hospital, he will state –

- (a) the total cost thereof;
- (b) if the works have been completed;
- (c) if there are any water leakages thereat, and
- (d) the date of coming into operation of the new operation theatre thereat.

**Dr. Husnoo:** Madam Speaker, I wish to inform the House that –

- (a) the total cost of construction of the new Block of Operating Theatres and Wards at Victoria Hospital is Rs541,488,070.42;
- (b) the construction works were completed and handed over on 14 October 2014;
- (c) at present, there is no water leakages in the building; all snags relating to water ingress have been made good. Moreover, my Ministry is going ahead with the waterproofing works on the mezzanine floor.
- (d) out of the 6 operations theatres, 2 are operational since 12 January 2017. A third operation theatre has been made operational on 15 April 2017. The three remaining operation theatres will be made operational by the end of May 2017.

**Madam Speaker:** Hon. Baboo!

**Mr Baboo:** Is the hon. Minister aware that, out of the three lifts, there are two which are not operational?

**Dr. Husnoo:** Actually, I was not told about that. I visited the building about one month ago and there were a few works which had to be done at that time. We had a meeting, we sorted out the works and everything was alright. That is the last thing that I know, but I will look into it.

**Madam Speaker:** Hon. Armance!

**Mr Armance:** Thank you, Madam. Can the hon. Minister inform the House who was the contractor doing the work and is there any maintenance contract that has been awarded?

**Dr. Husnoo:** The contractor was Nanjing Dadi Construction Group Co. Ltd. I am sorry, what was the second question?

*(Interruptions)*

No, I do not have it here, but I can check. I do not have it.

**Madam Speaker:** Hon. Baboo!

**Mr Baboo:** Out of these three operation theatres, it was supposed that cardiac surgery would be performed at the hospital. Well, it has started and then it has stopped. May we know the reasons behind that? Why the cardiac surgery has been stopped and when it will start again?

**Dr. Husnoo:** Yes, the hon. Member is right. I mean some of the theatres were due for cardiac surgery, but recently we had one cardiac surgeon who left the service. So, we have advertised. In fact, it should be in the press today or tomorrow. We are advertising for new cardiac surgeons and once we get them, we will open this one as well.

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

#### **HOSPITALS – MEDICAL FILE & REPORT - DELIVERY**

**(No. B/374) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Minister of Health and Quality of Life whether, in regard to the patients who request for copy of their medical report/history from public hospitals, he will state if consideration will be given for a time frame to be set for the delivery thereof.

**Dr. Husnoo:** Madam Speaker, I wish to inform the House that requests to have copies of medical file and/or medical report from patients or their relatives is an almost daily feature at the public hospital.

However, in view of the nature of the information contained therein which is strictly personal and confidential, all steps have to be taken by my Ministry to comply to existing regulations before any such information is released. At times, in circumstances where requested documents such as consent letters or affidavits are not submitted, unavoidable delays do occur, which are outside the control of my Ministry.



In addition, a patient may have received treatment at different hospitals and it takes time to retrieve and compile all information about the patient. Once all the necessary documents are received, the maximum processing time at my Ministry is approximately two weeks.

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

**Dr. Sorefan:** Thank you, Madam Speaker. Regarding reports, they mainly come from insurance companies and patients suffer in the meantime. The insurers are very happy when reports do not come early. Can the hon. Minister look into it so that those reports that are going to be sent to the insurance companies are being done as soon as possible?

**Dr. Husnoo:** As I mentioned, once we get all the information, naturally, we will try to expedite matters and within two weeks we will send the report.

**Madam Speaker:** Hon. Uteem!

**Mr Uteem:** Thank you, Madam Speaker. Is the hon. Minister aware of the difficulties which patients who are injured and transferred to the hospital and need the medical reports for the purpose of litigation encounter? Is he also aware of the difficulties that they encounter to get the report and also to get the doctor to come and depone in Court whenever the report is contested? So, has there been a protocol device to facilitate doctors to come to Court to represent injured people?

**Dr. Husnoo:** These are major problems. Firstly, as far as the doctor is concerned, that would depend on whether they are busy or not on that particular day. There are lots of issues involved with that because if they are summoned on one particular day, they have to go obviously, but then it creates a lot of problems for the care of the patient. If they have an operating theatre list on that particular day, it causes a bit of problem. So, we have to work on it, but it is not as simple as it looks like.

**Madam Speaker:** Hon. Baloomoody!

**Mr Baloomoody:** In the same line of my hon. friend Uteem, can I ask the hon. Minister whether he is aware that doctors very often charge high fees, sometimes a percentage with regard to the incapacity before they issue a medical certificate for the victim to proceed in civil matters? They do charge. Is there a protocol at the Ministry? And if there

is, what are the fees they should pay to Government or to the doctor because in many cases they charge thousands of rupees before issuing the medical certificate?

**Dr. Husnoo:** As far as the Ministry is concerned, the Ministry charges Rs1,000 for the medical report and that's all.

**Madam Speaker:** Yes, hon. Dr. Sorefan!

**Dr. Sorefan:** Will the hon. Minister look into issues, especially concerning emergency cases where patients need to go abroad and for those patients who choose to do it privately, that they get their report from the hospital to the private doctors as soon as possible?

**Dr. Husnoo:** As I mentioned, it takes a bit of time because by the time somebody submits the request, you have to prepare the report and then send it. Firstly, we have to get the consent of the patient or the relatives or the father of the child. You know what I mean? It takes a bit of time. If we do not get the consent, we cannot issue the report because there is confidential information. So, we have to make sure we get the paper works done first, the basic authorisation and then we can work on the report. So, I think there are lots of issues involved in it. But, we have to look into it.

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

**Mr Fowdar:** Madam Speaker, I am raising my hands since five minutes and I cannot see you catching ...

*(Interruptions)*

**Madam Speaker:** Hon. Fowdar, please, sit down! I do not think we are going to start this debate again. This morning - I do not know whether you were here or not - I gave a ruling and I would refer you once again to the Standing Orders. I gave you the floor, ask your question.

**Mr Fowdar:** Thank you, Madam Speaker. I wanted to ask the hon. Minister of Health whether, in the absence of the *médecin traitant*, there is any protocol for the issue of any medical report by any other doctors.

**Dr. Husnoo:** Well, if the doctor is not available, then the superintendent of the hospital would write the report. But again, the fact that he is not the treating doctor, it raises

lots of problems because he does not know the case properly. So, that's where it takes a bit longer as well.

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

### **BOIS MARCHAND – ROAD ACCIDENT - INQUIRY**

(No. B/375) **Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Rt. hon. Minister Mentor, Minister of Defence, Minister for Rodrigues whether, in regard to the road accident which occurred at Bois Marchand on 02 April 2016 and in which Mr S. A. lost his life, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to where matters stand as to the inquiry carried out thereinto.

**Sir Anerood Jugnauth:** Madam Speaker, I wish to refer the hon. Member to the reply I made to the Private Notice Question on 05 April 2016, wherein I indicated that it would be for the Director of Public Prosecutions and eventually the Court, in case of prosecution, to determine whether any criminal offence had been committed.

I am informed by the Commissioner of Police that the enquiry has been completed and the Director of Public Prosecutions has advised prosecution against hon. Joseph Hugo Thierry Henry for the following five offences -

- (i) involuntary homicide by imprudence (count 1);
- (ii) failing to provide a specimen of breath for a breath test (count 2);
- (iii) failing to provide a specimen of blood or urine for analysis (count 3);
- (iv) driving motor vehicle with alcohol concentration above prescribed limit (count 4), and
- (v) obstructing Police Officer (Count 5).

The case has been lodged before the Intermediate Court on 25 April 2017 and has been fixed *pro forma* on 16 May 2017.

**Madam Speaker:** Hon. Armance!

**Mr Armance:** Thank you, Madam. I would like to know from the Rt. hon. Minister Mentor whether he is aware that before the accident of Mr S. A, there have been many accidents in the same region, same place and even after the accident of Mr S. A., and what remedial action is the Government taking to avoid such accidents in this region?

**Sir Anerood Jugnauth:** Well, I am not aware that there have been many accidents in that region.

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

#### **CEB – CHAIRPERSON - APPOINTMENT**

**(No. B/376) Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Deputy Prime Minister, Minister of Energy and Public Utilities whether, in regard to the Chairperson of the Central Electricity Board, he will, for the benefit of the House, obtain from the Board, information as to the name of the incumbent, indicating the –

- (a) remuneration drawn, and
- (b) Government-owned companies and/or parastatal bodies of which he is a Board Member, indicating in each case, the remuneration drawn.

**The Deputy Prime Minister:** Madam Speaker, the hon. Member may wish to refer to the reply I made to PQ B/681 on 13 October 2015. The Central Electricity Board Act provides that the Chairman of the Central Electricity Board shall be appointed by the Minister, shall hold office for a period of three years and shall be eligible for reappointment. On 09 April 2015, I appointed Mr Mootoosamy Naidoo as Chairman. He is drawing fees as follows –

- Rs108,000 monthly, and
- A petrol allowance of Rs19,350 monthly.

A chauffeur-driven car has also been put at his disposal.

In addition, as I mentioned in my reply to PQ B/309 on 25 April 2017, the Chairperson of the Central Electricity Board and Mr Bikoo, Director General at my Ministry are overseeing the CEB in the absence on medical leave of the General Manager. They are each drawing an allowance of Rs40,000 monthly since November 2016.

With regard to part (b) of the question, Mr Naidoo is not a member of any other Government-owned company or parastatal body. He is, however, currently the Chair of the Board of the three CEB companies –

- CEB Fiber Net Co. Ltd;
- CEB Green Energy Co. Ltd, and

- CEB Facilities Co. Ltd.

Mr Naidoo and the other members of the Board have requested that they be paid no remuneration until such time as the companies start operations.

As for CEB Facilities, although the company has started operations, the Directors have stated that they will not draw remuneration until such time as it is financially sound and stable.

**Mr Jahangeer:** Is the hon. Deputy Prime Minister aware that the Chairman of CEB works as a Consultant for a certain HV Holding which owns a subsidiary called AURS which has dealing with CEB in terms of renewable energy?

**The Deputy Prime Minister:** I know that he is a consultant for several private companies. He has a job, of course. I do not know about the AURS. I do not know whether AURS is involved with either Mr Naidoo or whether he has any conflict of interest. If a substantive question is put, I will certainly look into it.

**Mr Bhagwan:** Can I know from the Deputy Prime Minister whether the Chairperson of CEB sits on any other sub-committees of the Board (Procurement Committee or even the Human Resource Committee)? Does he have a say in that and whether he is a member in interviews? Has the Deputy Prime Minister received any representations into the daily interference of the Chairperson in the routine administration of CEB and, if such is the case, whether he will bring things to order?

**The Deputy Prime Minister:** I have not received any such representations. He does not sit on any sub-committee, as I am informed now. With regard to daily interventions, yes, since the departure of the General Manager, Mr Bikoo and himself, have a supervisory role. I think very soon that will end because the selection panel is currently looking into the appointment of an acting General Manager.

**Mr A. Duval:** With regard to the conflict of interest just mentioned by hon. Jahangeer, will the hon. Deputy Prime Minister, at least, find out whether he is, in fact a consultant for AURS and take action accordingly.

**The Deputy Prime Minister:** Well, even if he is a consultant for AURS, I am not going to take any action. I do not go and intervene in the private life of a person in this way unless he is in personal conflict of interest. I have no indication that this is so.

**PLAINE SOPHIE - WIND FARM - IMPLEMENTATION**

(No. B/377) **Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Deputy Prime Minister, Minister of Energy and Public Utilities whether, in regard to the Plaine Sophie Wind Farm, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to the contractual date on which works were due to start, indicating the expected start date thereof following the issue of the relevant permits prior to the implementation thereof.

**The Deputy Prime Minister:** I am informed by the CEB, Madam Speaker, that it signed the Energy Supply and Purchase Agreement for a 29.4 MW Wind Farm at Plaine Sophie in August 2012. The agreement provided that the works should start one month after the financial clause which was achieved in May 2014. The promoter started mobilising on site in June 2014, but had to suspend works following a challenge at the Environment and Land Use Tribunal of the outline planning permit issued by the Municipality of Vacoas/Phoenix. The application was withdrawn in March 2016.

In June 2016, the Ministry of Housing and Lands issued a planning clearance and the promoter obtained his Building and Land Use Permit in August 2016. The promoter has resumed recycling works in September 2016. This entails felling of a number of trees. This is done by the Forestry Department. The promoter is bound to plant new trees to compensate for the number of trees felled. The contractual date for the completion of the project is December 2017.

**Mr Jahangeer:** Will the hon. Deputy Prime Minister disclose the secret behind extending the contract without penalty and how the contract has been extended to December 2017.

**The Deputy Prime Minister:** I am afraid that I did not get the question. Shall I disclose what?

**Mr Jahangeer:** How is the CEB extending the contract of this consortium without any penalty? This is causing prejudice to the other bidders who have applied for this internationally.

**Madam Speaker:** Ask your question! Do not make a statement, please!

**The Deputy Prime Minister:** It is obvious...

*(Interruptions)*

The *force majeure* clause is so obvious in this case, this has been activated.

**Mr Uteem:** May I know from the hon. Deputy Prime Minister whether the necessary equipment and changes have already been brought to the grid of the CEB so that once Plaine Sophie starts generating electricity, this can be transferred in the grid so that there is no incompatibility issue?

**The Deputy Prime Minister:** I am going to get the technical answer right now. This is, of course, the important matter for intermittent sources of energy, that is, essentially sun and wind. I know that CEB has constantly been on its guard with regard to intermittence and that it has made sure that the stability of the grid is always safeguarded. I am informed right now that generation control is in place and that the battery system is in process.

**Mr Jahangeer:** Before signing of the contract, one of the major partners of that consortium, namely Siloan India was in financial difficulty. In May 2013, it went bankrupt. So, was a correct assessment made before signing the contract with this consortium?

**The Deputy Prime Minister:** From the record – because, of course, I was not there in 2012 - I understand that due diligence by bankers are satisfied and the financial clause will be achieved very soon and that is on the understanding that they do satisfy the due diligence by their bankers.

Now, of course, between 2012 and 2017, lots of things may happen to a company. There are, I understand, two main shareholders, two main participants in that venture. I wish them well. That is their financial issue. We hope that no financial problem will come to mar the development of that wind farm which has been very long in starting operations.

We are now five years down the line, and it is true that it was legal issues that held this on. We cannot foresee the future, except to wish them well.

**Madam Speaker:** Hon. Ganoo!

**Mr Ganoo:** Can I ask the hon. Deputy Prime Minister if he can indicate to the House the exact date of the signature of the power purchase agreement and if he can inform the House as to the purchase price which CEB has agreed to?

**The Deputy Prime Minister:** The ESPA was signed on 03 August 2012, and the price is Rs6.54.

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

**LOCAL AUTHORITIES – FLEET MANAGEMENT SYSTEM & GLOBAL POSITIONING SYSTEM – CONTRACT**

(No. B/378) **Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Minister of Local Government and Outer Islands whether, in regard to the Fleet Management System and the Global Positioning System for the Local Authorities Project, he will, for the benefit of the House, obtain information as to the -

- (a) name of the contractor thereof;
- (b) contractual value thereof, and
- (c) delay, if any, in the completion of the contract thereof.

**Mr Jhugroo:** Madam Speaker, I am informed that, following a procurement exercise initiated by my Ministry in August 2014 for the supply, installation and commissioning of a GPS technology for vehicle tracking for ten local authorities, the contract was awarded in January 2015 to Navigation and Geocoding Technologies Ltd, the lowest evaluated substantially responsive bidder, for the amount of Rs22,221,834, inclusive of VAT.

This contract price also included the supply of a Geographical Information System, (GIS) software, to enable, *inter alia*, the location of all existing assets of a local authority and for assisting in the processing of BLUP applications.

This project excluded the District Councils of Flacq and Moka, as these two local authorities had already implemented a similar project in 2012.

Insofar as part (c) of the question is concerned, I am informed that the project, which was due for completion in November 2015, was effectively completed in April 2016.

This five months' delay was due to the fact that this system was new and very complex to implement. In fact, it was implemented in two phases. Initially, it was introduced at the Municipal Council of Vacoas/Phoenix on a pilot basis and was subsequently deployed in the remaining nine local authorities.

Madam Speaker, I am further advised that the local authorities have confirmed that the implementation of this project has proved to be very useful, as it is assisting them in discharging their statutory duties in a more efficient manner.



**Madam Speaker:** Hon. Jahangeer!

**Mr Jahangeer:** Thank you, Madam Speaker. Can the hon. Minister explain why the Rs2.5 m. applicable as penalty was not levied on that contractor for the delay?

**Mr Jhugroo:** What I have been told, Madam Speaker, is that the delay has been caused by the local authorities while doing their processing parts application.

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

### **BOIS CHÉRI & GRAND BOIS – TAXI STAND**

**(No. B/379) Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the villages of Bois Chéri and of Grand Bois, he will, for the benefit of the House, obtain from the National Transport Authority, information as to if consideration will be given for the setting up of a taxi stand to serve these two villages.

**Mr Bodha:** Madam Speaker, I am informed by the National Transport Authority that the village of Grand Bois has a population of around 5,000 inhabitants and 26 taxis have been licensed to operate from the locality.

The village of Bois Chéri, on its part, has a population of around 3,900 inhabitants and 11 taxis have been licensed to operate from the locality.

The NTA has informed that no request has been received for the setting up of a taxi stand in these villages. However, I have instructed the Road Transport Commissioner to carry out a survey in consultation with the taxi owners and the Savanne District Council to determine the requirements of a taxi stand. If the need is felt, the NTA will initiate procedures for the identification of a suitable location for the setting up of a taxi stand to cater for the taxis operating in both villages.

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

### **EMPLOYMENT RIGHTS & EMPLOYMENT RELATIONS LEGISLATION – REVIEW**

**(No. B/380) 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 Committee set up to review the labour legislation, he will, for the benefit of the House, obtain therefrom, information as to where matters stand as to the works thereof,

indicating if the trade unions and other stakeholders have been party to any discussions or consultations in relation thereto.

**Mr Callichurn:** Madam Speaker, following Government's decision to review the Employment Rights Act and the Employment Relations Act on 27 March 2015, Cabinet agreed to the setting up of a Technical Committee under the chairmanship of the Director of Labour and Industrial Relations. Thereafter, on 15 April 2015, the nine confederations and the Mauritius Employers Federation, now Business Mauritius, were invited to submit their proposals in writing to the Chairman of the Technical Committee. On 16 June 2015, a reminder was sent to them to submit their proposals by Tuesday 30 June 2015 at latest for consideration by the Technical Committee.

Thereafter, all stakeholders submitted their memoranda, except the Mauritius Employers Federation, which submitted a preliminary memorandum only. Thereupon, representatives of all confederations and Business Mauritius were met individually by the Technical Committee. The matter is still under consideration at the level of the Ministerial Committee.

**Mr Rutnah:** Other than the Director of Labour and Business Mauritius, can the hon. Minister inform the House who are the other parties in this committee and when they met on the last occasion?

**Mr Callichurn:** Which committee is the hon. Member referring to? The Ministerial Committee or the Technical Committee?

**Mr Rutnah:** Obviously, Madam Speaker, I am referring to the Technical Committee.

**Mr Callichurn:** Well, the Technical Committee, like I said, met on several occasions. They have already submitted their report to me, and following that report, a Ministerial Committee has been set up to look into the different proposals.

**Mr Rutnah:** Madam Speaker, would the hon. Minister consider setting up strict timetable for those who have not reported back to this committee and that they finalise their report once for all? Because, there are lots of workers in this country who are still waiting for a positive outcome in relation to this review committee.

**Mr Callichurn:** The deadline to submit the proposals has already been closed, and I can assure the hon. Member that we are in position of representations from different

confederations and federations. Only last week, if I am not mistaken, the Mauritius Employers Federation submitted their proposals. It is too late to take into consideration the proposals of the Mauritius Employers Federation. However, they did submit a preliminary memorandum, which has been taken into consideration.

**Madam Speaker:** Hon. Baloomoody!

**Mr Baloomoody:** I am getting confused listening to the hon. Minister. First, there was supposed to be a Technical Committee, where there has been a deadline set for all the federations, all the unions to submit their memorandum. Has this been completed? Because I just heard the hon. Minister saying that we are still receiving memorandum from parties. So, has the Technical Committee completed its work? It is with a Ministerial Committee. Have there been proper consultations with the unions, with the stakeholders, and if so, when will the Ministerial Committee submit its final report?

**Mr Callichurn:** I have already answered the question. The Technical Committee has already done its work. The Ministerial Committee has taken over and we are considering the different amendments that are going to be brought to the labour legislations.

**Madam Speaker:** Hon. Rutnah!

**Mr Rutnah:** Would the hon. Minister ensure the House, after whatever Ministerial Committee or the Technical Committee, that, at the end of the day, when the legislation would be amended, it would be such that workers' rights would be of paramount consideration bearing in mind that the former Government legislated simply to curb a number of rights that were previously available to workers of this country?

**Mr Callichurn:** Madam Speaker, in our electoral manifesto the Government took the commitment to amend labour legislation to better protect the rights of the workers. In the Government Programme which was presented in 2015, we reiterate that commitment. I personally, last year, fought to consider what is best for the workers of this country and I can reassure the House that all amendments that will be brought, will be in the interests of the country and of the workers of this country.

**Madam Speaker:** Last question, hon. Ganoo!

**Mr Ganoo:** Can I ask the hon. Minister if he would kindly, once the Ministerial Committee has completed its work, to circulate the conclusions and the proposals of this

Ministerial Committee to the unions and even to the House so that a consensus can be reached before the Bill is introduced in the House?

**Mr Callichurn:** I will consider the proposal of the hon. Member.

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

#### **NEW MAURITIUS HOTELS LTD - SHARES ACQUISITION - INVESTIGATION**

**(No. B/381) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Minister of Financial Services, Good Governance and Institutional Reforms whether, in regard to the appointment of an investigator in relation to the acquisition of the shares in New Mauritius Hotels Limited, he will, for the benefit of the House, obtain from the Financial Services Commission, information as to the –

- (a) terms and conditions of appointment thereof, and
- (b) criteria used for the appointment thereof.

**Mr Sesungkur:** Madam Speaker, further to a number of Press articles relating to the acquisition of shares of New Mauritius Hotels Ltd. (NMH) and the representations made by Sunnystars as well as other stakeholders, I am informed by the FSC that on 30 March 2017, the Board agreed that an investigator be appointed, under section 44A of the Financial Services Act, to carry out a special investigation into whether there may have been a breach of the Securities Act 2005 and of the Securities (Takeover) Rules 2010, in relation to the transactions concerning the buying, selling and dealing of shares of NMH Ltd. The FSC Board deemed this step necessary to protect the integrity and good repute of our financial market.

As for part (a) of the question, the Special Investigator is required to submit an Investigation Report to the Acting Chief Executive of the FSC within 20 to 25 working days from the date of acceptance of the Engagement Letter.

The investigation covers, *inter alia*, the following -

- Establishing the chronological series of events relating to the New Mauritius Hotels (NMH) transaction;
- Reviewing the shareholding structures of NMH;
- Reviewing correspondences received and issued by the FSC and the SEM in connection with this transaction;

- Conducting on-site inspections;
- Accessing and reviewing communications;
- Reviewing of the relevant provisions of the Securities Act especially as regards to the Takeover Rules;
- Assessing the intent/purpose/objective of the combined acquisition of the Acquirers, and
- Concluding as to whether there has been any breach of the Securities Act 2005 and of the Securities (Takeover) Rules 2010 during the February 2016 transaction.

Madam Speaker, the fees payable will be based on the time spent on the investigation, capped to a maximum of Rs1,750,000, excluding VAT.

I am further informed by FSC that the Special Investigator is indemnified from and against any third party claim or action, in connection with the Report and that he is also subject to a confidentiality undertaking.

Madam Speaker, with regard to part (b) of the question, I am informed that the Board of FSC contacted several professionals out of whom only Mr K. T. was available for the investigation.

**Madam Speaker:** Hon. Uteem!

**Mr Uteem:** Thank you, Madam Speaker. On 20 February 2017, the FSC issued a communiqué where it said that they had been monitoring the situation 2016 and the FSC does not consider that any breach of the Securities (Takeover) Rules has taken place. One month later, the same FSC comes up and appoints a special investigator. Wouldn't the hon. Minister agree with me that, once again, this is a case of blatant gross incompetency from the FSC?

**Mr Sesungkur:** Madam Speaker, at the time the FSC issued the communiqué that was based on articles of Press, but then later on, there have been formal complaints made by certain companies, namely Sunnystars and other matters came to light at the FSC level. It is only then that FSC Board decided to take appropriate action.

**Mr Uteem:** Madam Speaker, the terms of reference which the hon. Minister just mentioned, do not include looking at the role of the FSC. So, I am not aware if the investigator will look into that. The hon. Minister himself mentioned that it is the Board of the FSC which appointed the special investigator. Is the hon. Minister aware that under

section 44(a) of the Securities Act, it is, in fact, only the Chief Executive Officer, not the Board of the FSC, that can appoint a special investigator? Has he looked into this matter and taken legal advice as to the legality of this appointment?

**Mr Sesungkur:** Well, in terms of governance, the Board will normally delegate its powers to the Chief Executive Officer. The powers of a Chief Executive emanates from the Board. So, for me, I don't see it is a problem. I will certainly seek advice on this and let the House know.

**Madam Speaker:** Hon. Adrien Duval!

**Mr A. Duval:** Thank you, Madam Speaker. The question is very similar to the one just asked by hon. Uteem, it is that in section 44 of the Financial Services Act which is quoted by the communiqué of the FSC, it says that – “They appointed the investigator in line with section 44.” Section 44 says clearly that it is for the Chief Executive to appoint the special investigator and that is done by way of letter and not the Board. Therefore, it seems...

**Madam Speaker:** Hon. Adrien Duval, the hon. Minister has just replied to this question. We are taking the time of the House. Do you have another question, not the same question as hon. Uteem!

**Mr A. Duval:** Yes, pertaining to his answer, he says that according to him it is in legality. It is not! Therefore, I urge the hon. Minister to go and find out as soon as possible whether this is in fact...

**Madam Speaker:** But he has already replied to this and he has already said that he will look into the matter.

*(Interruptions)*

Please, sit down! Please, sit down, hon. Adrien Duval! The hon. Minister has already replied to this question. We can't lose the time of the House with the same question! Hon. Bhagwan!

**Mr Bhagwan:** Madam Speaker, without being personal, can the hon. Minister inform the House if it is the same person who was once his business partner and with whom he had problems *vice versa*?

*(Interruptions)*

Can the hon. Minister give guarantee to the House, the country and the nation as well whether he himself does not have anything to do with the appointment of that person who was once ...

*(Interruptions)*

**Madam Speaker:** Order!

**Mr Bhagwan:** ...a senior adviser of the present Prime Minister?

**Mr Sesungkur:** Madam Speaker, let me set this very clear that the decision was taken by the Board and ...

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan!

*(Interruptions)*

**Mr Sesungkur:** *Mo pas koz dan zoreil mwa!*

**Madam Speaker:** Hon. Bhagwan! Who is making provocation?

**Mr Sesungkur:** So, the Board took the decision and that was it.

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

#### **FOOT & MOUTH DISEASE – FACT-FINDING COMMITTEE – RECOMMENDATIONS**

(No. B/382) **Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Minister of Agro-Industry and Food Security whether, in regard to the Report of the Fact-Finding Committee on the outbreak of the Foot and Mouth Disease, he will state the measures which have or which will be taken in the light of the findings and recommendations thereof.

**Mr Seeruttun:** Madam Speaker,...

*(Interruptions)*

**Madam Speaker:** But this is unparliamentary.

*(Interruptions)*

You should apologise to the House for this.

*(Interruptions)*

**Mr Seeruttun:** Madam Speaker, I would like to inform the House that, at the very outbreak of the Foot and Mouth Disease in Mauritius, Government decided, on 19 of August 2016, to set up a Ministerial Committee under the Chairmanship of the Minister of Finance and Economic Development, now also Prime Minister, to propose measures for the re-launching of the livestock sector in Mauritius and Rodrigues in the aftermath of the disease.

The Ministerial Committee met the Chief Commissioner of the Rodrigues Regional Assembly, the General Secretary of the Mauritius Chamber of Agriculture, the representatives of breeders' associations on 06 October 2016 to take stock of the situation in both Rodrigues and Mauritius and to listen to proposals made by the different stakeholders.

The Committee noted that Rodrigues was most affected by the Foot and Mouth Disease in that 5398 animals were lost, that is, 3200 were culled and 2118 died of the disease. In Mauritius, the total number of animals stamped out was 1695.

Further consultations were held at the level of my Ministry and a series of recommendations have been worked out with the following objectives -

- (i) Consolidating and reinforcing biosecurity measures at national level both in Mauritius and Rodrigues;
- (ii) Improving access of farmers to high quality breeding stock to increase the national herd;
- (iii) Improving service provision to the farming community, and
- (iv) Strengthening the institutional setup.

The following measures have been recommended -

- (i) Consultancy services for elaboration of a Biosecurity Plan, including protocol and broad plan for livestock in general and specific Office International des Epizooties (OIE) listed diseases;
- (ii) Upgrading the Richelieu Quarantine station to accommodate animals imported for slaughtering, especially in the context of the forthcoming Qurbani celebration;
- (iii) Setting up of a new quarantine for cattle at Five Ways, Wooton;



- (iv) Setting up of a heifer farm in Melrose for production of heifers to be eventually sold to breeders, including Rodrigues;
- (v) Setting up of a livestock zone at Melrose with all facilities, including fodder, to accommodate 100 dairy cows in ten units which will thereafter be leased to interested farmers;
- (vi) Implementation of a public-private partnership project to the setting up of a reproduction farm with Aadicon Bitechnologies Ltd for the production of heifers;
- (vii) Setting up of a Goat Livestock Zone at Schoenfeld to boost up meat production;
- (viii) Setting up of a sheep farm at Salazie;
- (ix) Relocation of backyard breeders in specific regions taking into consideration the environment and surroundings;
- (x) Setting up of a computerised system for registration of all farmers and a national identification system for animals;
- (xi) Creation of new burial sites for disposal of animal carcasses to prevent propagation of diseases to the local herd;
- (xii) Relocation of pig breeders/squatters to specific regions to be identified by the Ministry;
- (xiii) Setting up of a pig and turkey quarantine;
- (xiv) Consultancy services for improving quality of pork meat to enable breeders to sell more of their production on the local market, and
- (xv) The State Trading Corporation will be requested to consider importing livestock feed for eventual sale to farmers as one of the main problems being faced by local breeders is high price of feeds and quality thereof.

Madam Speaker, the recommendations made by the Fact-Finding Committee on the Outbreak of the Foot and Mouth Disease have also been taken into consideration, namely -

- (i) The setting up of a Quarantine in the port area of Rodrigues;

- (ii) The recruitment of additional Veterinary Officers and technicians for Rodrigues to cope adequately with the heavy work load;
- (iii) The setting up of an Animal Health Laboratory in Rodrigues for the conduct of tests to detect diseases;
- (iv) The upgrading of the Animal Health Laboratory at Réduit to enable tests for OIE listed diseases to be carried out without resorting to foreign laboratories, and
- (iv) Training of Veterinary Officers to better deal with OIE listed diseases in case of any occurrence thereof.

Madam Speaker, all these recommendations have been approved by Government in April last. Some of the measures including, *inter alia* -

- (i) The setting up of a heifer farm and livestock zone in Melrose;
- (ii) The setting up of a reproduction farm with Aadicon Biotechnologies Ltd for the production of heifers, and
- (iii) Consultancy services for improving quality of pork meat are already being implemented and others will be implemented in a phased manner in the short and medium terms depending on the availability of funds.

**Madam Speaker:** Hon. Uteem!

**Mr Uteem:** Thank you, Madam Speaker. The Committee made a very thorough report and a very damning report against the Veterinary Services, against the technicians who did not have the necessary expertise, against the Crisis Committee which was chaired by the wrong person in the wrong place. I have not heard anything from the hon. Minister about any action taken against those who have been directly blamed by the report as having been the cause of this outbreak or the failure to contain the outbreak of the Foot and Mouth Disease.

**Mr Seeruttun:** Madam Speaker, in my reply to the last PQ on that issue raised in this House the week before, I did say that I have set up a committee which is being chaired by the Permanent Secretary to look into all the recommendations made in that report and all actions will be taken further to the issue that had been raised in the report. I must, again, stress on the fact that, in this report, mention is made that the Committee that was put in place to deal with this crisis was being chaired by the wrong person in the wrong place.

Let me remind the House that this person is the number two, i.e. the Deputy Director, Agricultural Services. In the Agricultural Services, they are the most technical people to advise the Ministry with regard to technical & agriculture matters. At the time when this outbreak happened, the number one was on vacation abroad. So, who else were we to look for to chair that meeting? So, the question about being the wrong person in the wrong place, I think that was a bit farfetched given that he has been promoted to that post, I mean, after so many years of experience. I am not the one who has put him in that particular position. For me, he was the most technical guy to deal with that problem at this particular point in time.

**Mr Uteem:** The hon. Minister knows fairly well, that that Government, his own Ministry, set up this Fact-Finding Committee chaired by an independent Magistrate who came with a damning report and instead of taking the lessons, the hon. Minister is now praising the people who are responsible for this mess. Does that take it that the hon. Minister does not agree with what has been found by the Magistrate?

**Mr Seeruttun:** Madam Speaker, again, what I am saying is that we have appointed that Chairperson to deal with this crisis under these conditions and that context. The question about the report being damning or not, I leave it to the appreciation of the public at large. This was a problem that occurred, no one was prepared for.

We dealt with it and within less than fifty days, the whole problem was under control. Less than 3% of the Mauritian *cheptel* was affected. Coming and telling me that we did not do our job properly given under these circumstances, I am not ready to accept that kind of accusation.

**Madam Speaker:** Hon. Jahangeer!

**Mr Jahangeer:** Thank you, Madam Speaker. Can the hon. Minister reveal to this august House the total sum of money spent to contain the outbreak both in Rodrigues and in Mauritius?

**Mr Seeruttun:** Madam Speaker, in terms of compensation paid to all those breeders who were affected by the disease, we paid a total sum of Rs35,267,000 to all those breeders whose cattle were affected by that disease last year. With regard to other cost involved, with regard to the logistics and other expenses, the whole amount, including the compensation paid came to Rs37,432,925.

**Madam Speaker:** Hon. Léopold!

**Mr Léopold:** Thank you, Madam Speaker. I just want to ask the hon. Minister what are the measures his Ministry is taking to have strict control over the importation of frozen buffalo meat from India, and whether he will continue with the programme of vaccination as prophylactic measures?

**Mr Seeruttun:** With regard to the importation of frozen meat from India, in the report, it is being recommended that henceforth meat imported from India should reach maturation before deboning. So, this is one of the conditions that we are going to make sure is being complied with so that any frozen meat imported from India should have reached maturation before deboning.

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

**Mr Uteem:** Thank you, Madam Speaker. At page 89 of the report, the committee made the following findings: that after the veterinary decided not to allow the export of livestock from Rodrigues, there was an outcry from politicians and the politicians put pressure on the veterinarians to allow the importation. Has the hon. Minister ascertained who were the politicians who were putting pressure on the civil servants to allow the importation of these cattle?

**Mr Seeruttun:** Well, Madam Speaker, I am told that they are from Rodrigues.

**Madam Speaker:** The Table has been advised that the following PQs have been withdrawn: B/386, B/387 and B/388.

Can I, now, ask the Deputy Speaker to take the Chair.

*At this stage, the Deputy Speaker took the Chair.*

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

#### **CHITRAKOOT GOVERNMENT SCHOOL - REHABILITATION WORKS**

**(No. B/383) Mr G. Oree (Second Member for Port Louis North & Montagne Longue)** asked the Minister of Education and Human Resources, Tertiary Education and Scientific Research whether, in regard to the landslide problem in the region of Upper Vallée des Prêtres, she will state the measures that are being taken to repair the damages caused to the building housing the Chitrakoot Government School thereat, indicating if consideration will be given for the relocation thereof outside the landslide prone area.

**Mrs Dookun-Luchoomun:** Mr Deputy Speaker, Sir, with a view to providing a conducive and safe learning environment to all learners, the Infrastructural Management Unit of my Ministry carries out the upgrading and maintenance of school infrastructure on a continuous basis throughout the year.

I am informed that rehabilitation works have continuously been carried out at the Chittrakoot Government School since the occurrence of the landslide problem. Surveys and constant monitoring have been carried out by the Technical Staff of MPI for upgrading works and ancillary works in the school compound. Since May 2016, the following works have been carried out –

1. Structural repairs to toilet block and demolition of concrete canopy and replacement of same with steel canopy.
2. Removal of spalled concrete/loose detached parts of wall and reinforced concrete elements for repair with appropriate products.
3. Removal of waste and the striding of the roof, facilitating laying of water proofing membrane to roof slab and application of waterproofing paint where required.
4. General upgrading works like replacing existing openings by aluminium openings and internal and external painting.
5. Maintaining and cleaning of drains in the school compound.
6. Levelling of uneven floor in classrooms with appropriate mortar compound.
7. Uneven surface of tarmac levelled and made good with bituminous concrete.

Mr Deputy Speaker, Sir, we have been informed by the Ministry of Public Infrastructure and Land Transport that monitoring of the landslide in the region is an ongoing process and the MPI with the expertise of JICA (Japan International Corporation Agency) would soon embark on phase II of the counter measure works in the area. In effect, contract for the counter measure works in phase II will include the construction of storm water drains and French drains as well as replacement of the boundary wall by low reinforced concrete wall. The contract will soon be awarded by the MPI.

In regard to the relocation of the school outside the land slide prone area, it will depend on availability of suitable plots of land and the assurance that they are not prone to landslide. Geotechnical test will have to be carried out.

Mr Deputy Speaker, Sir, my Ministry has identified the Knowledge Based Training Centre to accommodate temporarily the 53 students of Chitrakoot Government School should the need arise.

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

#### **CITE LA CURE – POLICE POST**

**(No. B/384) Mr G. Oree (Second Member for Port Louis North & Montagne Longue)** asked the Rt. hon. Minister Mentor, Minister of Defence, Minister for Rodrigues whether, in regard to the proposed construction of a new Police post at Cité La Cure, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to where matters stand.

**Sir Anerood Jugnauth:** Mr Deputy Speaker, Sir, I wish to refer the hon. Member to the reply I made on 14 June 2016 to Parliamentary Question A/20 regarding this issue.

I am informed by the Commissioner of Police that for the time being, it is not envisaged to set up a new Police Post at Cité La Cure as the area is adequately policed by the Abercrombie Police Station and other Units of the Force such as the Emergency Response Service, Divisional Support Unit, Divisional Traffic Patrol, CID and ADSU.

I am further informed that with a view to ensuring continuous Police presence in the area, as part of Police Hot Spot Policing, a Police vehicle is deployed on a 24/7 basis.

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

#### **NATIONAL WAGE CONSULTATIVE COUNCIL – BOARD MEMBERS**

**(No. B/385) Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Minister of Labour, Industrial Relations, Employment and Training whether, in regard to the National Wage Consultative Council, he will, for the benefit of the House, obtain therefrom, information as to the -

- (a) names of the Chairperson and of the Members thereof;
- (b) number of sittings held as at to date, and
- (c) if the Board was made aware of the public statement made by the Chairperson regarding the proposed quantum of the minimum wage.

**Mr Callichurn:** Mr Deputy Speaker, Sir, regarding part (a) of the question, I am tabling the names of the Chairperson and members of the National Wage Conservative Council.

With regard to part (b) of the question, I have been informed that the Council met on three occasions, namely, on 20 February, 05 April and 03 May, 2017.

As for the last part of the question, I have been informed that the issue was not raised at the last council meeting.

**Mr Baloomoody:** Can I ask the hon. Minister how many members of the trade unions have resigned since the setting up of the council?

**Mr Callichurn:** One member has not officially tendered his resignation. He went on a private radio and said that he is resigning. There is even an article which we saw in the Press. He has subsequently been replaced by Mr Désiré Geerdharry who is the president of the Free Democratic Union Federation. He has replaced Mr Haniff Peerun, and his nomination took effect as from 02 May 2017.

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

**Mr Uteem:** Mr Deputy Speaker, Sir, is the hon. Minister aware of the lack of resources that has been put at the disposal of the National Wage Consultative Council? They need more resources in terms of statisticians to provide them the figures and even the support staff is not there.

**Mr Callichurn:** Unfortunately, I have not received any such complaint, Mr Deputy Speaker, Sir. But, I shall make it a must to look into the matter.

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

**Mr Ganoo:** I heard the hon. Minister informing the House that the Council has sat on three occasions. Can I ask the hon. Minister, since according to the law which we voted in this House, there is a delay of one year after the promulgation of the Act within which time the Council has to come with a proposal of the minimum wage, is he satisfied that, so far, this Council has only sat three times?

**Mr Callichurn:** Yes, the Council has sat on three occasions, but different technical committees have been set up and they are doing their bit of work.

**Mr Baloomoody:** Does the hon. Minister find it proper that the Chairperson of that Council comes and makes public statement regarding the quantum of minimum wages without even the matter being discussed at the level of the Council?

**Mr Callichurn:** Well, I have been informed that at the first meeting of the Board, it was agreed that the Chairperson would communicate with the media whenever the need arises to further the objectives of the Council and, as such, the need for the Chairperson to inform the Board did not arise.

I have also been informed that the Chairperson did not communicate any figure to the press. He laid emphasis on the fact that the Council has not yet reached a decision on the quantum of the minimum wage. However, certain hypothetical values which were discussed in the second Board meeting were mentioned in the press. For the sake of clarity, the Chairperson explained to the press that these were only hypothetical values worked out based on the poverty and number of wage income earners per family.

Mr Deputy Speaker, Sir, you would recall that I wanted to introduce a confidentiality clause when the National Wage Consultative Council Bill was presented in this House and there was resistance from certain quarters of the Opposition and even from Members on this side of the House. I wanted to introduce the confidentiality clause precisely to prevent such situation to arise.

**Mr Bhagwan:** Can I know from the hon. Minister whether he has recently met the Chairperson and whether he has received from the Chairperson any interim report or confidential report on the committee itself, the way it is proceeding?

**Mr Callichurn:** I did not meet the Chairperson. The Council is an independent body working independently from my Ministry and that is all I have to say.

#### **SUPER CASH BACK GOLD POLICY HOLDERS - REPAYMENT**

**(No. B/386) 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 Super Cash Back Gold policy holders of the former BAI Co. (Mtius) Ltd., he will, for the benefit of the House, obtain from the National Property Fund Ltd, information as to the number thereof having selected repayment under Option 1 and Option 2 respectively, indicating –



- (a) the agreed amount of money and terms of repayment thereof, and
- (b) if those having selected repayment under Option 1 will be paid 20% of their invested capital by 30 June 2017, as undertaken by the Fund.

*(Withdrawn)*

#### **CEB - ALTEO - POWER PURCHASE AGREEMENT**

**(No. B/387) Mr D. Ramful (Third Member for Mahebourg & Plaine Magnien)** asked the Minister of Agro-Industry and Food Security whether, in regard to the renewal of the Power Purchase Agreement with Alteo, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to if the formula applicable for the calculation and distribution of the accruals out of the Bagasse Transfer Price Fund shall be reviewed so as to provide for a fair and reasonable price to small planters.

*(Withdrawn)*

#### **CEB - ALTEO - PPA - TERMS & CONDITIONS**

**(No. B/388) Mr D. Ramful (Third Member for Mahebourg & Plaine Magnien)** asked the Deputy Prime Minister, Minister of Energy and Public Utilities whether, in regard to the renewal of the Power Purchase Agreement with Alteo, he will, for the benefit of the House, obtain from the Central Electricity Board, information as to the terms and conditions upon which the existing agreement is being renewed.

*(Withdrawn)*

#### **UNIVERSITY OF TECHNOLOGY OF MAURITIUS - INFRASTRUCTURE**

**(No. B/389) 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 University of Technology of Mauritius, she will, for the benefit of the House, obtain therefrom, information as to the actions taken to ensure that –

- (a) the students thereof are allowed to study in a perfect environment on the campus thereof, and
- (b) prompt actions are taken on the issues raised by the students.

*(Vide Reply to PNQ)*

**The Deputy Speaker:** Next question, hon. Baloomoody!

## NATIONAL COAST GUARD – DRUGS SEIZURE

(No. B/390) **Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Rt. hon. Minister Mentor, Minister of Defence, Minister for Rodrigues 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 officers attached thereto, indicating the –

- (a) respective rank thereof;
- (b) quantity of drugs seized in the course of operations carried out by officers thereof since January 2015 to date, and
- (c) collaboration thereof with Reunion Island and Madagascar, if any, for the seizure of drugs within our territorial seas.

**Sir Anerood Jugnauth:** Mr Deputy Speaker, Sir, I am informed by the Commissioner of Police that one thousand two hundred and five Police Officers are presently posted to the National Coast Guard.

As regards parts (a) and (b) of the question, I am tabling the information.

Mr Deputy Speaker, Sir, with regard to part (c) of the question, I am informed that under existing arrangements, there is collaboration with Reunion Island and Madagascar and also with Seychelles and Comoros through the Critical Maritime Route Wider Indian Ocean (CRIMARIO) and the Maritime Surveillance (MASE) Projects. Both projects are implemented with the assistance of the European Union and focus on training, sharing of intelligence and joint operations for the detection, prevention and suppression of any illegal activity within our territorial waters. Additionally, on a yearly basis, “joint operations” are organized by the Navies of friendly countries involving the Coast Guards of several countries in the region to test their maritime operational capabilities.

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

**Mr Baloomoody:** Thank you. One of the main concerns of the National Coast Guard is that it is not properly equipped. It does not have appropriate equipment to survey our whole sea area. Can I ask the Rt. hon. Minister Mentor whether the matter has been looked into?

**Sir Anerood Jugnauth:** Well, we will look into it.

**The Deputy Speaker:** Hon. Ameer Meea!

### **CWA - GENERAL MANAGER - APPOINTMENT**

**(No. B/391) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Deputy Prime Minister, Minister of Energy and Public Utilities whether, in regard to the General Manager of the Central Water Authority, he will, for the benefit of the House, obtain from the Authority, information as to the terms and conditions of appointment thereof, including the –

- (a) salaries and allowances drawn;
- (b) make and model of car put at the disposal thereof, indicating the cost thereof, and
- (c) number of Government-owned companies and/or parastatal bodies of which he is a Board member, indicating in each case, the total remuneration drawn.

**The Deputy Prime Minister:** Mr Deputy Speaker, Sir, in accordance with section 41 of the Central Water Authority Act the General Manager is appointed by the Minister on such terms and conditions as he thinks fit.

The General Manager of the Central Water Authority was appointed on a contract basis for a period of two years on 12 February 2016 on the following terms and conditions –

- monthly salary Rs275,000;
- 21 days cashable annual leave and 21 days sick leave annually;
- a chauffeur-driven car;
- a monthly petrol allowance of Rs19,680, and
- a gratuity at the rate of two months' salary compensation on the completion of 12 months satisfactory service.

With regard to part (b) of the question, the Central Water Authority has put at the disposal of the General Manager a BMW520i purchased in October 2012 at the cost of Rs2,624,000.

With regard to part (c), the General Manager also sits on the Central Electricity Board and is paid a monthly fee of Rs10,000.

**Mr Ameer Meea:** Can I ask the hon. Deputy Prime Minister whether the General Manager of CWA also sits on other subsidiaries of CWA?

**The Deputy Prime Minister:** Subsidiaries of CWA? To my knowledge there is no subsidiary of CWA. To which subsidiary is the hon. Member referring to?

**Mr Ameer Meea:** Other companies related to CWA as it is the case for the CEB.

**The Deputy Prime Minister:** No, there is no such case! *Non, non, il n'y a pas cela. La CWA est différente du CEB. Il n'y a pas de subsidiaires à la CWA.*

**Mr Ameer Meea:** In his answer the Deputy Prime Minister mentioned that he has been paid two months of gratuity according to his contract, can I have the amount that he has been paid?

**The Deputy Prime Minister:** That is standard condition; all are entitled to two months' salary on completion of each year of service, except in the case of Mr Bullock where it was 25 per cent, that is, three months. Apart from that, for his predecessor, Mr Auckle, it was two months' salary on completion as well as Dr. Ismael.

**Mr Ameer Meea:** Mr Deputy Speaker, Sir, I asked for – I don't know his name – I think it is Mr Ismael, for the General Manager and the hon. Deputy Prime Minister is giving for the predecessors.

**The Deputy Speaker:** What is the question of the hon. Member?

**Mr Ameer Meea:** My question is how much has he been paid after one year completion of service? This is a simple question and I want a simple answer.

**The Deputy Prime Minister:** Two months' salary. The answer is simple.

*(Interruptions)*

Oh, please! Calm down! There is no need to get upset! What I have told you...

*(Interruptions)*

Please! Please! Calm down, it is tea time in a few minutes, let me finish.

*(Interruptions)*

**The Deputy Speaker:** Hon. Ameer Meea!

**The Deputy Prime Minister:** It is teatime in a few minutes! Let me finish! The hon. Member must take the habit of listening. If he had listened, he would have heard what I said. What I said...

*(Interruptions)*

Please, do not interrupt! I have said that it is two months' salary.

*(Interruptions)*

**The Deputy Speaker:** Hon. Ameer Meea!

**The Deputy Prime Minister:** Please, calm down! I have told the hon. Member two months' salary per completed year of service, and I have added, like his predecessor, two months' salary, except for the case of Mr Bullock, where it was 25%. If the hon. Member wants me to be clearer, I can also be clearer.

**The Deputy Speaker:** Next question, hon. Ameer Meea!

**Mr Ameer Meea:** I am not done with this one! In fact, the two months' salary is more than Rs500,000, which the hon. Minister did not mention.

**The Deputy Speaker:** Next question, hon. Ameer Meea!

**WASTEWATER MANAGEMENT AUTHORITY - CHAIRPERSON -  
APPOINTMENT**

**(No. B/392) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Deputy Prime Minister, Minister of Energy and Public Utilities whether, in regard to the Chairperson of the Wastewater Management Authority, he will, for the benefit of the House, obtain from the Authority, information as to the terms and conditions of appointment thereof, including the –

- (a) salaries and allowances drawn, and
- (b) make and model of car put at the disposal thereof, indicating the -
  - (i) cost thereof;
  - (ii) date of purchase thereof;
  - (iii) procurement method used therefor, and
  - (iv) breakdown of total expenses incurred in relation thereto as at to date.

**The Deputy Prime Minister:** In accordance with section 8 of the Wastewater Management Authority Act, the Chairperson of the Board is appointed by the Minister and is

paid fees or allowances as the Minister may determine. The Chairperson of the Wastewater Management Authority was appointed in April 2015 for a period of two years. His appointment was renewed in April 2017 for a further period of two years, in accordance with section 8(3) of the Wastewater Management Authority Act. The Chairperson was paid a fee of Rs45,000 from April 2015 and is now being paid a fee of Rs90,000 monthly since August 2015 plus a petrol allowance of Rs10,200. The Wastewater Management Authority has put at the disposal of the Chairperson a BMW 330i. The vehicle was purchased through restrictive bidding process on 25 January 2016. The cost of the vehicle is Rs3,74,775, including VAT. The expenses incurred in relation to the car are Rs70,461 for insurance, Rs31,991 for repairs, and Rs12,500 for road tax.

**Mr Bhagwan:** Can I know from the hon. Deputy Prime Minister whether the post of General Manager is still vacant and whether it is in the process of being filled?

**The Deputy Prime Minister:** No, an acting General Manager has been appointed and he is Mr Radhay.

#### **WASTEWATER MANAGEMENT AUTHORITY – EMPLOYEES - INTERDICTION**

**(No. B/393) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Deputy Prime Minister, Minister of Energy and Public Utilities whether, in regard to the Wastewater Management Authority, he will, for the benefit of the House, obtain therefrom, information as to the number of employees thereof who have been interdicted since January 2015 to date, indicating in each case the –

- (a) charges levelled against them, indicating if the inquiries have been completed and, if not, why not, and
- (b) names of the assessors of the respective Committees set up to look thereinto, indicating in each case the -
  - (i) fees paid thereto, and
  - (ii) expected date of submission of the report thereof.

*(Vide Reply to PQ No. B/372)*

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

## **ENVIRONMENT PROTECTION (AMENDMENT) BILL - INTRODUCTION**

**(No. B/396) Mr P. Armance (First Member for GRNW & Port Louis West)** asked the Minister of Social Security, National Solidarity, and Environment and Sustainable Development whether, in regard to the proposed review of the Environment Protection Act, as stated at paragraph 57 of the Presidential Address delivered on 27 January 2015, he will state the expected date of the introduction and debate thereof in the Assembly.

**The Minister of Gender Equality, Child Development and Family Welfare (Mrs F. Jeewa-Daureeawoo):** Mr Deputy Speaker, Sir, I wish to inform the House that the Environment Protection (Amendment) Bill is expected to be introduced in the National Assembly next year. I understand that a first round of consultations with all stakeholders concerned has been carried out, including the State Law Office.

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

## **NATIONAL ENVIRONMENT COMMISSION – STAKEHOLDERS - CONSULTATIONS**

**(No. B/397) Mr P. Armance (First Member for GRNW & Port Louis West)** asked the Minister of Social Security, National Solidarity, and Environment and Sustainable Development whether, in regard to the proposed revival of the National Environment Commission as described in paragraph 58 of the Presidential Address delivered on 27 January 2015, he will state where matters stand.

**The Minister of Gender Equality, Child Development and Family Welfare (Mrs F. Jeewa-Daureeawoo):** Mr Deputy Speaker, Sir, I am informed that consultations with different stakeholders have been initiated and that they have been requested to submit proposals for consideration at the level of the Commission, and I am also advised that the National Environment Commission will meet soon.

**The Deputy Speaker:** Next question, hon. Armance!

## **CLIMATE CHANGE BILL - INTRODUCTION**

**(No. B/398) Mr P. Armance (First Member for GRNW & Port Louis West)** asked the Minister of Social Security, National Solidarity, and Environment and Sustainable Development whether, in regard to the proposed introduction of a Climate Change Bill, as

stated at paragraph 60 of the Presidential Address delivered on 27 January 2015, he will state the expected date of the introduction and debate thereof in the Assembly.

**The Minister of Gender Equality, Child Development and Family Welfare (Mrs F. Jeewa-Daureeawoo):** Mr Deputy Speaker, Sir, I am informed that, after consultations with all stakeholders, a first Draft of the Climate Change Bill has been prepared and is still under consideration at the level of the Ministry of Social Security, National Solidarity, and Environment and Sustainable Development.

I am advised that the Climate Change Bill is expected to be introduced in the National Assembly next year.

**The Deputy Speaker:** Next question, hon. Armance!

#### **BEACH AUTHORITY (AMENDMENT) BILL - INTRODUCTION**

**(No. B/399) Mr P. Armance (First Member for GRNW & Port Louis West)** asked the Minister of Social Security, National Solidarity, and Environment and Sustainable Development whether, in regard to the proposed review of the Beach Authority Act, as stated at paragraph 53 of the Presidential Address delivered on 27 January 2015, he will state the expected date of the introduction and debate thereof in the Assembly.

**The Minister of Gender Equality, Child Development and Family Welfare (Mrs F. Jeewa-Daureeawoo):** Madam Speaker, I am informed that consultation for the review of the Beach Authority Act of 2002 is ongoing with the Attorney General's Office and a draft Amendment Bill will be made available soon for consultation and validation by all stakeholders prior to its introduction in the National Assembly.

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

#### **EX-EDC HOUSES - ASBESTOS - DISPOSAL**

**(No. B/400) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the pulling down of the houses containing asbestos and of the replacement thereof, he will state where matters stand as to the implementation of the recommendations of the High Level Technical Committee set up to look thereinto.

**The Minister of Gender Equality, Child Development and Family Welfare (Mrs F. Jeewa-Daureeawoo):** Madam Speaker, following a survey carried out by the Ministry of



Housing and Lands and information provided by the said Ministry, it is noted that 64 ex-EDC houses are in a dilapidated state.

As part of its mandate for solid waste management and disposal, of the Ministry of Social Security, National Solidarity, and Environment and Sustainable Development was tasked to arrange for the safe disposal of asbestos materials from the 64 houses. A survey team headed by the Ministry of Social Security conducted this survey and only 60 houses were identified as follows –

- 29 were occupied;
- 24 were unoccupied, and
- 7 had already been pulled down.

I am informed that contract for the dismantling of six unoccupied houses (out of the 24 unoccupied houses) and the removal of asbestos therefrom will soon be awarded. These houses are located at Amaury, St Julien d'Hotman, Verdun, Telfair and Moka. Works are expected to be completed within two months' time.

As for the remaining 18 unoccupied houses, the consent of the owners is still being awaited.

**Mr Ganoo:** Since the substantive Minister is not answering the question, I will come with another question.

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

#### **SPEAKING UNIONS - OPERATIONAL**

**(No. B/401) Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Minister of Arts and Culture whether, in regard to the Speaking Unions, he will, for the benefit of the House, obtain therefrom, information as to the number thereof which are fully operational, indicating when the members of the Executive Council will be appointed as regards to those which are not yet operational.

**Mr Roopun:** Mr Deputy Speaker, Sir, out of 11 Speaking Unions, nine are operational. The Arabic and the Sanskrit Speaking Unions are not yet operational.

I would like to inform the House that, in October 2015, the legislations for the operation of the Speaking Unions were reviewed to provide, amongst others, for the setting up of transitional Executive Councils for an interim period of six months immediately after

the proclamation of the Acts. Unfortunately, the transitional Executive Councils were not set up at that point in time.

When I took office, I sought advice from the Attorney General regarding the setting up of the transitional Executive Councils. The latter has advised that it would serve no purpose to constitute transitional Executive Councils under provisions of the law, which have lapsed, and to proceed directly with the constitution of the Executive Councils.

In the light of the advice received and in accordance with the provisions of the respective Speaking Unions' Acts, relevant consultation is being sought for the way forward.

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

#### **IBA – DIRECTOR - APPOINTMENT**

**(No. B/357) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to Mrs Y. C., Director of the Independent Broadcasting Authority, he will, for the benefit of the House, obtain from the Authority, information as to the terms and conditions of appointment thereof, indicating the total remuneration drawn for the month of March 2017.

**The Minister of Technology, Communication and Innovation (Mr Y. Sawmynaden):** With your permission, I am going to reply to PQ B/357.

I am informed by the Independent Broadcasting Authority that the terms and conditions of the appointment of Mrs Y. C., Director of the Authority, are in accordance with the Review of Pay and Grading Structures Report 2016. Accordingly, she was drawing a monthly salary of Rs152,000. She was also being paid a monthly petrol allowance of Rs15,940, a monthly driver's allowance of Rs9,100, a monthly telephone allowance of Rs3,250, and a monthly car allowance in lieu of official car of Rs31,500.

*(Interruptions)*

No official car!

According to the terms and conditions of her contract, Mrs Y. C. is also eligible for –

- (i) a gratuity at the rate of two months' salary on completion of 12 months satisfactory service;

- (ii) passage benefits at the rate of 5% of annual basic salary or cash equivalent, and
- (iii) cash in lieu of 21 working days annual leave for every year of contract not taken.

**Mr Bhagwan:** The hon. Minister has given the total monthly package for the month of March. Can I be provided with the total monthly package paid to that lady?

**Mr Sawmynaden:** Actually, it is not a total monthly package. At the end of her one-year contract, she is entitled to two months' gratuity and the passage benefit of 5% of annual basic salary and cash *in lieu* of 21 working days. So, her end of year gratuity is actually two months' salary based on Rs152,000.

**Mr Bhagwan:** The Minister has not given the total amount paid from the coffers of the public through the IBA...

*(Interruptions)*

**The Deputy Speaker:** Question, please!

*(Interruptions)*

**Mr Bhagwan:** *Ki to été? To remplace li twa?*

**The Deputy Speaker:** Please, address the Chair!

**Mr Bhagwan:** Can the hon. Minister, at least, give a total in terms of money - I don't want in dollars - paid in rupees?

**Mr Sawmynaden:** We have to do the calculation. It is Rs152,000 times 2, then the passage benefit, approximately Rs25,000 to Rs28,000.

**Mr Bhagwan:** Would I be wrong to say that this person has been paid half a million rupees for that particular month of March?

**Mr Sawmynaden:** This is totally wrong. It is not for that particular month. She is entitled - just like every person in this country - to a thirteenth month salary which is a one-year bonus. So, the end of the year, she does not get a salary which represents her monthly salary.

**Mr Bhagwan:** The hon. Minister is defending the indefensible. He must reply to the nation, the taxpayers - including your money, you are paying tax - how much, the total - I

don't want to know exactly the bonus, etc., – monthly in terms of rupees. Is it half a million? Is it less? I don't want it in dollars, I want it in rupees!

*(Interruptions)*

**Mr Sawmynaden:** Hon. Bhagwan, we are well aware that the Mauritian currency is rupee and not dollar. Let me repeat again, her monthly salary is Rs152,000 times 2, and then the passage benefit is Rs28,000 and the annual leave refund ....

*(Interruptions)*

**The Deputy Speaker:** Question Time is over! The sitting is suspended for half an hour.

*At 4.32 p.m., the sitting was suspended.*

*On resuming at 5.16 p.m. with Madam Speaker in Chair.*

## 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.*

## PUBLIC BILLS

*Second Reading*

### THE BUSINESS FACILITATION (MISCELLANEOUS PROVISIONS) BILL

**(No. V of 2017)**

*Order for Second Reading read.*

**The Prime Minister:** Madam Speaker, I move that the Business Facilitation (Miscellaneous Provisions) Bill (No. V of 2017) be read a second time.

The object of this Bill is to provide for amendments to the legislative framework that are necessary for the removal of constraints in relation to permits, licences, authorisations and clearances to further facilitate the doing of business and for related matters.

Madam Speaker, business facilitation is a key determinant of the competitiveness of nations, especially small open economies like ours which are highly dependent on exports for our growth and on foreign direct investment to bring in new technology and expertise. Business facilitation is also crucial to boost up domestic private investment and to allow micro and small and medium sized enterprises to grow. Moreover, we need a more business friendly environment to encourage the development of a new class of entrepreneurs.

That is why we need to ensure that our regulations are business friendly that firms, in particular, start-ups, do not face bottlenecks and red tape, and that costs of investing and operating a business in our country are globally competitive.

The House will recall that, in November 2016, in reply to a parliamentary question, I stated that Government will leave no stone unturned to improve the ranking of Mauritius in the Ease of Doing Business and that I would, to this end, introduce a Business Facilitation Bill in the National Assembly this year.

Thus, a Steering Committee and technical working groups were set up under the Ministry of Finance and Economic Development to identify weaknesses, to work out appropriate corrective measures and to review the relevant enactments, to improve the overall business, trade and investment climate. The technical working groups comprised of representatives of both the public and private sectors.

We have considered the views of the relevant Ministries and Departments and also the private sector in finalising this Bill, which brings amendments to a number of enactments relating to permits, licences, authorisations and clearances.

The Bill, itself, focuses on seven main areas, namely -

- facilitating cross border trade;
- expediting the process to start a business;
- expediting the processing and issue of construction permits;
- facilitating the process to register property;
- improving the insolvency procedures;
- transferring the system of collection and enforcement of social charges from the Ministry responsible for the subject of social security to MRA, and
- implementing an E-Licensing system to provide a single point of entry for applications for permits and licenses.

A detailed Explanatory Note on the provisions that have been included in the Bill has been circulated on Tuesday 25 April 2017 for the benefit of the Members of the House.

I will now explain the main clauses of the Bill.

- (a) Clause 4 amends the Companies Act to provide -
  - (i) the electronic issue of a certificate of incorporation;
  - (ii) the removal of the obligation to use the seal of a company, and
  - (iii) the reduction of the time frame for a person to file proof of the ground of objection with the Registrar with regard to the removal of a company from the Register, from 6 weeks to 2 weeks.
- (b) Clauses 5, 8, 9, 17, 20 and 21 amend the Employment Rights Act, the Human Resource Development Act, and the Income Tax Act, the MRA Act, the National Pensions Act, and the National Savings Act to provide for the MRA to act as a collecting agent for recycling fee, training levy and NPF and NSF contributions.
- (c) Clause 6 amends the Environment Protection Act to -
  - (i) reduce the time frame for the submission of an outline by a developer for a proposed undertaking from 3 months to 1 month;
  - (ii) introduce a time frame of 2 weeks for the Director of Environment to impose, on the basis of an outline submitted, the terms of reference for a EIA report, and
  - (iii) bring more clarity on the information requirement by making provision for guidelines.
- (d) Clauses 10, 22, 24, 25 and 27 amend the Inscription of Privileges and Mortgages Act, the Notaries Act, Registration Duty Act, Sale of Immovable Property Act, and Transcription and Mortgage Act to provide for a summary of the deed to be submitted in the Registration of Deeds and Documents System (RDDS). The RDDS is an electronic system that is operated by the Registrar-General for the secure transmission, registration and recording of deeds or documents.

Moreover, the amendments to the Notaries Act also provide for a notary to deliver a certified copy or authenticated copy of a deed to a buyer within 8 days from the date of registration of the deed with the Registrar General.

- (e) Clause 11 amends the Insolvency Act to provide for the following -
- First, empowering the Director of the Insolvency Service to take sanction against any non-compliant insolvency practitioner who persistently fails to comply with the law and/or any Directions that are being issued;
  - Second, providing the obligation to report on any bankruptcy case so that the register of bankruptcy could be kept up to date;
  - Third, clarifying the winding up process, and
  - Fourth, regulating the rates of remuneration payable to receivers.
- (f) Clause 12 amends the Investment Promotion Act to provide for the establishment of an ‘e-licencing system’ at the BOI, for the online application, processing and determination of licences/permits/authorisations that are required to start and operate a business activity in Mauritius.
- (g) Clause 13 amends the Land (Duties and Taxes) Act to provide for the exemption of land transfer tax and registration duty on the transfer of land to construct warehouses or on the transfer of warehouses for business purposes.
- (h) Clause 16 amends the Local Government Act to provide for businesses that do not require a Building and Land Use Permit or a regulatory licence to start operations immediately after registration of the business activity. The time frame for a local authority to issue an occupation certificate is being reduced from 10 days to 5 days.
- (i) Clause 18 amends the Mauritius Standards Bureau Act to empower the Mauritius Standards Bureau (MSB) to give an ‘electronic conformity report’ on the samples of articles, materials, substances that require examination, testing or analysis from the Bureau and no import permits will be required for these items. The application and the issue of the ‘electronic conformity report’ shall be made through the TradeNet System.
- (j) Clause 19 amends the *Morcellement* Act to provide -

- (i) for every member of the *Morcellement* Board to convey his stand on an application to the Board within 2 weeks, and
  - (ii) for a time limit of 3 weeks for the Board to forward to the Minister its recommendation on an application, which includes a preliminary environmental report or an EIA licence.
- (k) Clause 23 amends the Plant Protection Act to provide a time frame of 5 working days for the National Plant Protection Office (NPPO) to determine the issue of a plant import permit and for a single fee to be imposed.
- (l) Clause 26 amends the Sugar Industry Efficiency Act to provide that the State Investment Corporation Ltd and the Mauritius Multisports Infrastructure Ltd to be exempted from the payment of land conversion tax.

Madam Speaker, this Bill constitutes another major stride in our endeavour to boost up private investment, attract more FDI, create employment for our youth at a faster pace and build up on the renewed momentum in the economy.

I now commend the Bill to the House.

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

(5.28 p.m.)

**The Leader of the Opposition (Mr X. L. Duval):** Madam Speaker, I trust that the House is much more quiet now after the very nice break that we had and the beautiful tea that everybody has had.

Madam Speaker, so far as this Bill is concerned, there are 27 clauses that are mentioned but I think, in my view, that many of them are very minor changes that would have gone unnoticed had they been included in the Finance Bill in two months' time. But, nevertheless, they are here and let us talk about at least the most important ones.

Madam Speaker, business facilitation or let us call it regulatory efficiency is extremely important for any country as the hon. Prime Minister has himself said, for a small country or any country that is trying to generate foreign direct investment. Regulatory efficiency is very important. It promotes investment because investment will give you economic activity and will create, hopefully, jobs. It depends what type of investments and we will come to that in a minute. Regulatory efficiency is also a very important component in



combating corruption, Madam Speaker. So, all this updates our profile overseas. Some of the most important indices that are used every day when you are in investment promotion like the Ministry of Finance, every day you mention one index called the Ease of Doing Business Index.

The hon. Prime Minister would not be surprised maybe to learn that from 2012 when I was Minister of Finance, we were 19<sup>th</sup>, we were the top 20, Madam Speaker, in terms of regulatory efficiency. We have fallen now to 49<sup>th</sup>. We are just now in the top 50! We are happy we are in the top 50. But there are other indices which quote in the same direction unfortunately. The Global Competitiveness Index also deals with regulatory efficiency in part. We have fallen from 30<sup>th</sup> place in 2015 in just one year, we are 46<sup>th</sup> in 2016. For the Heritage Foundation, Economic Freedom Index, the same sort of index, we were 8<sup>th</sup> in 2012. It can't have been a coincidence and today we are not even in the top 20. We are 21<sup>st</sup>! Transparency International Corruption Index, we are now 50<sup>th</sup>, Madam Speaker, just recently we were 45<sup>th</sup>.

So, you can see *quelle dégringolade généralisée* in terms of our profile overseas, of how the potential investor sees Mauritius overseas because they would not know what is happening on the ground. They will read what they see on the websites. They will read what international organisations think of us, how they grade us and how they give us marks, Madam Speaker. Either we are good students or we are bad students and the indices show very clearly, Madam Speaker, that we are bad students! *Des mauvais élèves!* That is the pure truth.

Now, the previous Minister of Finance – he was not here – hon. Lutchmeenaraidoo, had had some dreams that we would be one day in the top 10 on the Ease of Doing Business. Instead of the top 10, we are now in the top 50, we have gone down all the way. Can we stop the rot? Let's see this Bill will in what way stop the rot and let's see how we are doing.

But, firstly, the hon. Prime Minister mentioned FDI, Foreign Direct Investment, Madam Speaker. Let us look at this because he also raised it this morning and it seems twisting, a bit of reflection on this issue. We received this year, I think, Rs19 billion in terms of FDI in 2016. I have the report of the Bank of Mauritius in front of me. No sorry, I was over optimistic; we have received Rs13 billion in 2016. In 2012, Madam Speaker, when our indices were so good, when we were in the top 10 for Heritage Foundation, when we were in the top 20 for Ease of Doing Business, do you know how much foreign direct investment we

attracted, Madam Speaker? Upwards of Rs20 billion! In those rupees after not even counting for inflation, Rs20 billion in 2012, Rs13 billion in 2016 and I don't have the latest figures for 2017, we are only a few months into it. And it goes on like this, 2013: Rs14 billion, 2014: Rs18 billion. So, even in that, not only is there no economic miracle but we have gone into reverse gear. We have gone into reverse gear so far as all the international indices are concerned and we have gone into reverse gear even as far as FDI is concerned.

The hon. Prime Minister raised this morning the issue of villas. Hundreds of villas are being sold but they are being sold for peanuts, Madam Speaker, because when you look at the figures here, so many hundreds have been sold apparently, for what? In 2016 for Rs9 billion, in 2012 far fewer houses were sold but for a total value of Rs7.5 billion and if you discount inflation you get only about 10 to 15 per cent increase. So, what does that mean for our IRS sector? What does that mean for the RES sector? It is that we are downgrading even the houses that we are selling! It is always nice to look behind the figures when someone comes and beats his chest, Madam Speaker. You have to look behind to see that we are downgrading even the houses and this is forgetting the 131 villas that Mr Alvaro, I hope, will not purchase because, for me, that is a clear case of money laundering, but I will not go into that. I hope we don't get into that, but we will follow that. The Opposition will not give up on that. Don't think that because there are other priorities we have given up on that. We have not.

So, this is the truth about FDI. Worse than that, the share of property, if you go back to 2012-2014, hovers around a third of total FDI. Of the Rs20 billion received, share of property was about Rs7 billion, a third! Today, do you know how much it is, Madam Speaker? It is 73 per cent of our FDI received in 2016, represents property. The hon. Minister of Industry, Commerce and Consumer Protection is going to speak just after me. Perhaps he will tell us what he is going to do with the miserly Rs500 m. that was received as FDI in 2016 in the manufacturing sector. Not even Rs1 billion! It is a third of what was received in 2012.

So, if we look at the houses, they are going down in value. If you look at manufacturing, we know that the export sector - the hon. Prime Minister mentioned exports - here is in disarray. We are supposed to upgrade, become a technology centre with the latrines in the University! Become a technology centre, invest in high-tech! Everybody, mouthwash, you go and wash your mouth through all they say and at the end of the day, in 2016 what does the economic miracle bring us? Rs500 m. only in terms of FDI in the manufacturing

sector! Let us take it positively, let us hear the Minister after me tell us what he is going to do because he very rarely speaks about industry, tell us what he is going to do to increase FDI because people need jobs and we all know that houses - except for the building phase if it is built by Mauritians - don't create a lot of jobs. But, industry, any industry unless you want to use robots, we are not there yet, will create a lot of jobs. So, there you are in terms of setting the scene. I will not go much longer in terms of setting the scene but it is not a happy picture and the quicker we look at it and we realise it, the better we will be for taking the appropriate action.

Now, this Bill, well I say *la montagne qui accouche d'une souris* and I don't know, there are a few things which I think are good. We have 27 clauses and many of these clauses don't deal at all with what anyone will call business facilitation because, in fact, about 6 or 7 clauses deal with revenue collection. How we are going to collect recycling fee, which you know is paid in case someone loses his job which is probably topical but still, it has nothing to do with business facilitation. Nobody is going to care whether it is the MRA that is picking up the recycling fee or whether it is the Ministry of Social Security, if you are an investor. I think we can be clear on that. But still, it has nothing to do with Business Facilitation. In fact, this will not affect Business Facilitation. A few other clauses deal with transferring approval, a signature from the Minister to the Registrar General, the Permanent Secretary. It is one step less! But I would have thought that the people most concerned with getting things to move quickly would be the Ministers themselves. So, hopefully, when a file would come, whether it is only to decide to name Mauritius or whether it is to decide on a name for a foundation or whatever it is, the people most concerned with signing the file quickly, as I am sure I was, when I was in Government, would be the Minister. So, now we are saying Ministers are too busy, in fact, to look at all this, we are going to give it to the Registrar General, to the various civil servants, fair enough! It is one step less, but it is one more person to convince that they have to work quickly. And not many people actually understand in Government, in the Civil Service, the need to act quickly. We, politicians, have a timeline on that for five years. We all know that. In four to five years, we have to come and show some sort of *bilan*. Civil servants do not. So, we are transferring it; let us see how it works in practice. I have my reservations as to whether this will work.

We are going to try here, in this Bill, Madam Speaker, to be more electronic. Fair enough! I have got no issue. Let us try and be more electronic and my ex-colleague, hon.

Gayan inaugurated the Tourism Licensing, E-Licensing - Thank you, Xavier! Thank you! The tender was awarded when I was Minister. It is okay! I mean, that's right! Just a 'Thank you' will not hurt you! It was awarded when I was Minister of Tourism and we did many things, but one of the things we wanted to do, was to get rid of the paper work because it helps and even in corruption it helps. It helps in many things, but I will come to the real problem as far as licencing is concerned. E-filing does not need quick processing. You still have to process it, it does not get processed by the computer. You will receive it probably quicker, but then what you do with it is another issue. How do you control it? What data you produce as to which applications have been made? How many are in the backlog? How many have been half processed etc.? And I hope, Madam Speaker, that we are also going to go into transparency here.

I am used to taking this example, Madam Speaker, I will say it again. When you order a pizza, a certain pizza in London - as my son used to do at the University - you will see when it goes into the oven. You will see when it comes out of the oven and goes on the motorcycle and you will virtually see it when it is at your door. That is a pizza company doing that for its clients. In Mauritius, Digital Mauritius, I hope that the E-licencing, once you award the contract, because at the moment it is just a piece of writing that we are doing, E-licencing is not there. We still have to award the contract and go through all the stages. When you award, you will also have a component of the E-licencing that will allow anyone, any citizen in Mauritius, any businessman in Mauritius to see where the file is. If you can do it for pizza, you can do it also for files in Government, for the central processing department, whatever it is going to be called.

So, I hope that we have a totally transparent system that will also help the fight against corruption, that we know exactly where your application is and what is happening to it and that will help certainly as far as electronic is concerned. But I must say, if I stay on this electronic issue, one big problem that we have had ,and it has been beyond our ability to solve it, is the inability of the State Informatics Limited to deliver the goods. I do not know if the Assembly had dealt with the State Informatics Limited, I have dealt with them, I have lost nearly all my hair and it grew again, thank God! They are so inefficient; they are so late in everything that the e-payment that we were supposed to do in 2013/2014, payment by credit card etc., today still now in 2017 and we do not talk about the e-payment here. It is not yet

done. That is State Informatics! Completely useless, they are obsolete and that would have helped if we could think of a replacement for that company, Madam Speaker.

So, let us deal with some of the issues. Clause 6, Madam Speaker, Environment Protection Act! Here, although I say most of these clauses are either not of much help or of little help and some are important, one could be dangerous and I want to take that one first. The Environment Protection Act, we do not mess around with the environment. Now the first bit of the Clause deals with actually reducing the submission of an outline application or whatever it is called from three months to one month. In very rare cases, I am told that promoters actually send an outline. Most of them just send the whole application in one go. It saves them time. But if you want a letter of intent of some sort or some guidelines as to what you should do, you send the outline. I am told that this is positive, but very rare cases will do it.

Madam Speaker, it is the second bid that I am worried about. It introduces a time frame, Madam Speaker, and hopefully, the Minister of Environment will intervene. I do not know if he is in Mauritius. Introduce a time frame of two weeks for the Director of Environment to impose on the basis of the outline submitted, the terms of reference of the EIA Report.

Now, let us think of the two weeks, Madam Speaker, it is alright if it is a hotel, we can manage. What about if it is an oil refinery? That wants to sit on a barge of Albion and that nobody in Mauritius has a clue about oil refinery or about oil refinery on a barge! How are we going to respond? Within two weeks the gentleman will send the application. We are supposed to tell them in two weeks this is the main requirement of the EIA Report. Is this serious when we, in fact, did a little bit with that file? We threw it out and then it was recaptured by whatever, but that particular refinery was thrown out, in my committee at least, but we had to take foreign advice for that. We could not do it ourselves. Can you imagine in two weeks finding the foreign advice to be able to deal with an outline scheme like that! I think, Madam Speaker, I would invite the hon. Prime Minister to think again about these particular two weeks. It is a little short still, but for non-run, Madam Speaker, it is outright dangerous and we do not want to do that.

Let's look about Metro Express! So what will happen in two weeks now? Have the Singapore already given the EIA Study? A period of two weeks is not enough, Madam Speaker, to study anything unusual, any unusual or rare applications that do not have the

necessary expertise in Mauritius. Even if we have the necessary expertise, we cannot handle it.

Madam Speaker, Clause 19 speeds up *morcellements*. You know that the Business Mauritius and all that, I do not want to upset them, but they are controlled by big sugar estates. And what do they want more in life? They do not want to make sugar. That is the last now that they want to do. They want to make *morcellements* and the big ambition of every big sugar estate today is to have a *morcellement* because that is where the money is. They do not want to plant sugar cane anymore. That is a problem for them. You have to plant it, wait for rain, wait for crushing and all these rubbish. You just have a piece of land, you parcel it and you make money. I live next to Saint-Antoine and the *morcellement* was 30 years ago. I walked around every morning mostly. After 30 years, 50% or 60% of the plot in Saint-Antoine - some of the MPs are here and I am sure they will tell you that - or more are left wild like that en *friche*, a hazard rather than anything else. An environmental hazard rather than anything else still after 30 years. Now, there are all these *morcellements* that are coming up like mushrooms! Let us not talk about the cheap IRS, they are cheaper every day! Let us talk about the *morcellements* for the Mauritians. People buy it and they leave it like that. They do not construct for years and decades. What is the point of always rushing to have more *morcellements*? This is the question that I wanted to ask Government. Think again about just getting rid of all our green areas, of all our sugar cane because, in fact, it is easy now since there is hardly any land conversion tax to be paid by the sugar estates. Anyway, there is so much stock of whatever scheme. Madam Speaker, let us think again.

As far as clause 19 is concerned, Madam Speaker, it says that the *Morcellement* Board has to forward the application to the EIA Committee within three weeks. What happens, I would like to ask myself, if it does not do so? What happens if it does not forward it within three weeks? We all know that the Building and Land Use Permit has, I think, to be delivered within 15 days nowadays. What happens if it is not delivered? What are you going to do? You are going to fine the *Morcellement* Board. That is equivalent to Government fining Government. Are you going to fine the officer-in-charge of that file? There is no sanction. When you have a law - not even with small teeth because small teeth can hurt - with no teeth, then it is worthless. So, you say that you are going to give a limit of three weeks for such things to happen and you do not provide any sanction. It is a waste of time.

It is the same thing for clause 23 dealing with the Plant Protection Act. We are now told that it will have to be responded within five days. What happens if it is not responded within five days? Nothing will happen because there is no provision at all, and that is the issue that we all face when we put time limits on these things for the civil servants to reply. We never put any sanction. We never can take any action, not even disciplinary action, and you end up with it being ignored as and when the civil servant feels it ought to be ignored without Government being able to do anything at all.

Madam Speaker, clause 16 is positive. From what I read, clause 16(c) allows someone who does not require any other permit from any other institution to start business immediately if he has a business registration card etc. I think it is good; the guy doing something innocuous. I find something good in the law. So, that is good, Madam Speaker.

Madam Speaker, I do not know what clause 13 has to do with business facilitation, as we know it. As far as I read it, there is some sort of tax break that is being given now if you want to construct a warehouse. What has this to do with business facilitation? It has to do with fiscal matters, but still it is there. I do not believe in tax breaks anymore because I do not think they have any effect. Our taxes are fairly low anyway in Mauritius. Some good things! There are some other things like the *credit-bail* being public and the summary being put public. That is fine. The electronic issue of certificate of incorporation was already an option before. Now, it is mandatory. I have talked about the Environment Protection Act, tax collection, EIA licencing. I have talked about new businesses. I think that is a good thing. I think I have done. I will not take too much time of the House, Madam Speaker.

Now, the fantastic intention is to go a bit quicker. Whether we will move up even half a point on the ease of doing business index, I do not think so. But, still, the amendment to the Environment Protection Act is fairly harmless. But let us look at the practice. Between talk and action, there can be sometimes a big *fossé*, a big divide.

Let us look at what happened on the whole saga of the biometric card. Madam Speaker, so many people have lost three days' work just to get that card. The first day, you go, you sit in a queue for five hours just to get an appointment. This is Mauritius 2017! Then, they tell you to come back to take your beautiful picture. You come back, another five hours; you are already tired by the time you take your picture. So, we are not surprised when we see very cold faces on these cards. They take your picture. It is a second day of work that you have lost. They will not send it to you by post. No! You have to come back to that same

office; another five hours queue to get your biometric card in your pocket. It has taken you 15 hours of queuing in digital Mauritius to get a biometric card. This is a fact, Madam Speaker. People listening at home will note that I am telling the truth. This is how it works. Thousands upon thousands of Mauritians had to bear this. When we talk about business facilitation, let us not forget citizens' facilitation. They are also citizens of Mauritius who vote and who need to have their lives facilitated. What is a shame, Madam Speaker, is that the biometric card was handled in this way. A shame, a black spot, and ought to have been a red card also for the person responsible. A disaster!

Madam Speaker, I am sorry to see that we do not have anything here as far as work permits are concerned. Now, we all know how long it takes. Work permits often have to be refused. I agree with that. But when they are genuine applications, they need to be done quickly. They cannot wait for weeks and weeks and months and months and sometimes even longer for a simple work permit. What happens then? The hon. Prime Minister was talking about the cost of running a business. Not having an employee, having your machines idle, is not that a cost of running a business? I used to preside that Committee - it was not because of me, but it was taking time. I hope that it is much better now, but I hear it is not! I am sorry to see that we do not have electronic filing for work permits, fast track committees or devolving the signature of the work permit from the Minister himself to some lowly civil servant. I am sure the hon. Vice-Prime Minister knows what I am talking about. He is a good friend of CMT etc. I do not say it badly. It is the truth as it stands. And it is not in here! Things that are really important to businessmen are not also in this law. In a Bill, you see what is inside and what is left out, and that is left out.

Madam Speaker, some countries have now decided that when they add a new regulation, they compulsorily need to take out two. I would suggest, Madam Speaker, that this is absolutely necessary for Mauritius. For years, we have sat in this Parliament. I have been here for nearly 30 years. Every week, when we are sitting, we have regulations upon regulations. So, many GNs! They are upset when we put a motion of disallowance. So many Government Notices come up! More regulations! Have you seen a GN taking out a regulation? Here, it does a little bit. It goes a little bit. We need to have the sort of practice that pertains overseas. One new regulation, the Ministry has to take out two that are no longer necessary. Or five! That is the way that we will go ahead in our country in terms of business facilitation. We need to have some guts, Madam Speaker. Of course, we could also



have every new law. We could have what is called a Regulatory Impact Assessment because very often we just add things and this takes a lot of time and costs a lot of money for our citizens and our businessmen to comply with.

Madam Speaker, opening hours of licensing officers! We are a country with a Civil Service. I don't know if there is flexitime or not now, how flexible is flexitime. We work from 9.00 a.m. to 3.00 p.m., 9.00 a.m. to 4.00 p.m. Everybody who needs us in the Civil Service, they have to comply, they have to leave their job, that is their problem. *La caisse*, even now - I don't know for the Court or what not - is open till what time? When one gets lost, we don't care. Firstly, I mentioned about e-payment. I don't see anything to do with that. We have to take a bus from Baie du Cap to come and pay something in Port Louis and go back. So, Madam Speaker, we need to have licensing officers who are more flexible, in a way, on their opening time, Madam Speaker.

One thing I have noticed at the Tourism Authority when I was there. We did our best to process files quickly. We did our best, but we would meet every week. I think it was hon. Gayan who was before me. The Tourism Authority used to meet as and when. They said: "We don't have enough files, Minister. We need to have 30 files to do the Licensing Committee." If you don't have 30 files for three months, then you just wait. Now, I am sure - I hope you have kept it like that; they meet every week. They have two or five files; they meet every week because people are in a hurry. So, that is what the Tourism Authority does. But still, let's say you want to open a restaurant or you would like to have a good meal, Tourism Authority will look at your file: "Okay, thank you very much. Now, I am going to ask the Ministry of Health to inspect your *cuisine*." Okay, the Ministry of Health goes to inspect. The Fire Service also, because you need to know whether things will blow up or something. So, the Fire Service will go, the Police will also go because in case you are selling alcohol and there is a school or some sort of religious place. All these three, they are busy people; they don't take orders from us or some civil servants without the Tourism Authority. So, they will take their time and so, despite our best endeavours, the thing will take a month or two. What is worse, Madam Speaker, we ask these owners - not in the Tourism Authority, but everywhere else - to build it and ask if everything is ready so that we may come to inspect. It may take three months/four months to give you the permit, but, nevertheless, when we come, it must be perfect.

So, Madam Speaker I would like to see letters of intent taking a more prominent role in Government licensing. I am serious about that. Let's say you want to set up a discotheque - I don't go any more, I am getting old - you will have to build the discotheque, you will have to put all the sound equipment, all the safety equipment, everything and then you would go to the Authority and say: "Can I have a permit?" And they say: "No, no, sorry, you can't have a permit. It is not my policy." Or "You are here you are there or you are too near to this or that." And you have lost your money. So, we need to have letters of intent which are binding, which are common use so that I say: "If you do such and such things, we will actually give you your permit so that, in fact, the cost of doing business will be much faster."

Madam Speaker, two things are left - the alert mechanism, I would like to see that there is a systematic facility for people who have asked for permits to be able to complain to say: "Look, this has taken me five weeks! I have called five times at this office and each time they have asked me for a new paper." We all know this current practice in Mauritius. So, there is a constant dialogue between the Authority, may be monitoring, at the PMO or somewhere, the Ministry of Finance so that we constantly improve ourselves and our licensing. I think that is important to get continuous feedback from the population.

Madam Speaker, I have finished. We have got a Business Facilitation (Miscellaneous Provisions) Bill. I hope that in the forthcoming Budget, we can have a Citizen Facilitation Bill. I really feel - I tried, but I was not very successful - that we need to give our citizens the same sort of attention that we give to our businessmen.

Thank you, Madam Speaker.

**Madam Speaker:** Hon. Gungah!

(6.03 p.m.)

**The Minister of Industry, Commerce and Consumer Protection (Mr A. K. Gungah):** Madam Speaker, allow me, at the very outset, to congratulate hon. Pravind Kumar Jugnauth, Prime Minister and Minister of Finance and Economic Development for coming up with the Business Facilitation (Miscellaneous Provisions) Bill.

Madam Speaker, after listening to the hon. Leader of the Opposition, *il a brossé un tableau noir de la situation dans notre pays*. He was with us for two years, but today, after two years...

*(Interruptions)*

**Madam Speaker:** Hon. Leader of the Opposition, I will draw your attention, right at the beginning, not to interrupt because when you were intervening, they all listened carefully.

**Mr Gungah:** ... Madam Speaker, the Leader of the Opposition has a lot of suggestions to make. During the years he was in the Government, I would like to know what was his *bilan*, whether it has been *résultat lors résultat*. And we all know...

*(Interruptions)*

Today, the Leader of the Opposition is comparing the year 2012 with the year 2016, whereby in 2012, FDI was more than what it was in 2016. In 2012, he was with the Labour party. So, why did he leave the Labour party to come with us to stand in elections in December 2014?

*(Interruptions)*

The reality, Madam Speaker, is that we all know the catastrophic situation that we inherited when we came to power. And we came for three main reasons. First, to clean because really the country was *pourri, si je peux le dire*. We came to clean the country.

**Madam Speaker:** Hon. Gungah, I will not, right from the outset, open the debate because if we open the debate, on this side of the House, the other side of the House will want as well to reply on this. So, please, restrict yourself to the Bill which is in front of us.

**Mr Gungah:** Thank you, Madam Speaker.

We came for three main reasons: to clean the country, to set up new pillars of economy and, of course, to create a new Mauritius.

Madam Speaker, we all know that today, we are living in a world full of uncertainties with Brexit and elections in America and all. The Leader of the Opposition was talking about the industry sector. It is true, I will admit that the volume and value of our exports have reduced, but that does not mean that we are sitting idle, doing nothing. I personally met all the stakeholders, the MEXA, the Mauritius Chamber of Commerce and Industry, the Business Mauritius and other parties. And, I must say that we are coming with propositions that will create a revolution in the system and we are going to leap forward. I can say also that concerning Brexit, the Prime Minister himself is chairing a committee. We are not sitting idle; we are doing what we are supposed to do. Madam Speaker, I won't go into such

details, but I will come to the Bill and with a few arguments, especially concerning those of my Ministry, the decisions that will be taken after having voted this Bill.

But I must say that in December 2014, Government set clear priorities for the advancement of the country. We received a mandate to put the economy on track and fight poverty. These two main objectives cannot be dissociated from each other. To be able to curb poverty, we have to come up with efficient economic measures, which will generate job creation, especially for the youth.

We are determined to put the country back on a high growth trajectory. Recent analysis and economic forecasts are very promising for the country. Already, as recently stated by the MCCI, business confidence has picked up by 4.5%. However, we can and we have to do better on the economic front in order to tackle the poverty and unemployment issues.

So, Madam Speaker, the question is: do we continue to operate in the same economic environment and trading framework or should we not be pro-active and take decisions and implement measures so as to make Mauritius one of the preferred business destinations in the world? The choice is obvious, Madam Speaker.

The introduction of the Business Facilitation Bill today is yet another step in our commitment to attract more investment to Mauritius and to create a more conducive environment for the business community.

We want our enterprises and investors to operate with confidence and to ensure that their endeavours are taken care with ease. Government wants to do more to meet the expectations of our operators while creating opportunities for the expansion of the economic sectors.

Madam Speaker, we have to recognise that currently setting up of an enterprise and ensuring its growth and survival constitute indeed a cumbersome process. It involves a series of sequential and critical tasks which are time consuming. The different requirements for pre-operational clearances and permits are complex and act as a deterrent. There is an urgent need to redress the situation and create a modern business environment while making full use of technology available nowadays.

There should be a hassle-free business environment where processes and procedures can be achieved within a minimal time frame. An enabling business environment is a *sine qua non* for businesses to prosper, flourish and be competitive.

The Business Facilitation Bill expresses Government's determination to achieve such an objective. Everyone in the House can only but support this laudable initiative. We have no choice than to make of Mauritius a world business friendly destination. Being at the top in Africa is good, but being one of the top destinations in the world would be a far better reference for the international business community.

This Bill, Madam Speaker, ensures that bureaucracy recedes and seamless and fast actions are at the forefront. Unnecessary steps and duplicated tasks will be removed. The different stakeholders will need to knock at the doors of the relevant institutions and authorities only. Public officials of the line Ministries will be more empowered to take decisions at their own level. These combined measures will lead to a reduction in the processing time of clearances, licenses and permits.

Madame la présidente, actuellement, c'est un véritable parcours de combattant que doit se livrer tout entrepreneur avant d'obtenir un permis, une licence et autres '*clearance and approval*'.

Permettez-moi d'illustrer concrètement comment la nouvelle législation résoudra les difficultés que rencontre un opérateur dans le domaine de l'importation. Il doit franchir pas moins de sept étapes avant de pouvoir importer, par exemple, des 'raccords de gaz ménager'.

1. L'importateur doit faire une demande de permis d'importation au *Trade Division* du ministère du commerce. Il doit soumettre un échantillon du produit et un certificat de conformité.
2. Tous les documents et l'échantillon sont ensuite envoyés au *Mauritius Standards Bureau (MSB)*.
3. Après vérification du certificat, et les éventuels tests, le *MSB* informe la *Trade Division* si le produit est conforme aux normes.
4. En cas de rapport positif, la *Trade Division* approuve le permis d'importation et informe l'importateur.

5. Quand le produit arrive à Maurice, l'importateur doit soumettre les documents, tels que le *Bill of Lading*, l'*Invoice*, c'est-à-dire la facture et une copie du permis d'importation aux services douaniers et à la *Trade Division*.
6. Ce n'est qu'après cela que le dédouanement est autorisé par la *Trade Division*.
7. Et en dernier lieu, c'est-à-dire, la septième étape, l'importateur se rend à la douane pour prendre possession du produit.

Madame la présidente, parcourir ces sept étapes peut prendre environ deux semaines. Et pire, dans le cas des câbles électriques, il y a des étapes intermédiaires et supplémentaires, telles que -

1. La *Trade Division* demande au *Consumer Affairs Unit* de prendre des échantillons des câbles.
2. La *Consumer Affairs Unit* envoie ces échantillons au *MSB*.
3. Le *MSB* soumet les résultats des tests à la *Consumer Affairs Unit* qui les transmet à la *Trade Division*.

Donc, nous voyons maintenant comment quelqu'un qui importe des produits perd du temps. Et avec la mise en place du nouveau système, les étapes inutiles seront enlevées, réduisant substantiellement le temps requis et le va-et-vient entre plusieurs départements.

L'importateur n'aura plus besoin de permis d'importation du ministère du Commerce. Le *processing* se fera directement entre la douane et le *MSB*.

Madam Speaker, this clearly shows that procedures and processes will be simplified for the approval and issue of trade permits and licenses. Indeed, the new system will avoid, *inter alia*, duplication of tasks such as verification of documents and approval required from various organisations not directly concerned technically with the matter. This will also ease the procedures for the clearance and removal of goods from Customs in a more rapid and effective manner.

With the Business Facilitation Bill, many controlled items will be delisted from the requirements of either an export or import permit. This will definitely help to facilitate trade such that traders will be able to clear their goods more quickly without having to apply for and obtain a permit at the Ministry of Commerce.

Examples of such goods are electric cables, outboard motors of above 15hp, automatic circuit breakers, low pressure non-adjustable regulator, crash helmets, electric water heaters, cement and pocket lighters among others.

However, Madam Speaker, I must point out that though we are easing substantially the procedures, Government will not make any compromise on health, safety, security, environmental and sensitivity aspects and issues at any stage. The line institutions will intervene whenever and wherever required.

Madam Speaker, notwithstanding the coming into force of the new legal framework, my Ministry has already embarked on a few projects with the same perspective and objective; the first one being the Single Window Project in the overall context of trade facilitation in the country. My Ministry has sought and obtained the collaboration of all related institutions and agencies with a view to streamlining trade procedures, accelerating trade facilitation and improving the ease of doing business in the country. The combined efforts and concerted actions at all levels will ensure that trade occurs in the best possible way, with the least cost and to the benefit of one and all.

In fact, the National Single Window allows the whole process, from application to the issue of import and export permits and release of goods to be made online, including the submission of all required documents. Thus, Madam Speaker, all the steps are effected within the premises of the businessman and there is no need for any physical movement from one office to another. The trader may also monitor his application through a tracking system available on the single window platform. Hence, it is less time consuming, less costly and more eco-friendly.

It is good to note that the project was launched at the seat of the MRA in January 2016. Initially, it concerned only the import component. But since 02 May 2017, the export element has also been incorporated in the system, which is thus fully operational.

Madam Speaker, my Ministry has also brought some internal changes for the grant of import permit for bunker fuels. The process now is being performed entirely electronically, whereby approval of such applications is being issued within a maximum of four hours of the receipt of the application. Previously, the same process required some three days, Madam Speaker. Indeed, the new framework has eliminated the need for files to move from one office or building to another, thus ensuring that importers get their permits at the earliest.

Moreover, regarding the discharge of petroleum products, from vessels in the Port, the authorisation is issued electronically by the Ministry of Commerce, immediately upon receipt of the test results on a 24/7 basis. Formerly, the authorisation was being issued manually during normal working hours only. You can imagine the amount of savings incurred on demurrage fees and the impact on Port congestion.

Madam Speaker, my Ministry has also computerised the Price Fixing Unit which deals with the prices of controlled commodities. The role of this Unit is to work out and approve prices of controlled products submitted by importers. The new system, which will be operational by the end of this month, will enable importers to submit electronically their costing for verification and approval. The Ministry will also issue the approval of these costing electronically, thus, saving importers from having to come to the Ministry to submit their documents and enabling faster processing.

To conclude, Madam Speaker, we are confident that the new measures taken will help economic operators to expand trade opportunities and also contribute to improve our ranking in international trade indices, especially that of the World Bank regarding the Ease of Doing Business.

It is imperative that there be simplified procedures, recourse to information and communication technology and transparency. Government will carry out any review as may be required, so as to be up to date with the needs of the business community and the economy at large.

Madam Speaker, the Business Facilitation Bill will render administrative procedures transparent, fast and efficient as well as establish a more favourable environment for our socio-economic development.

I thank you, Madam Speaker.

**Madam Speaker:** Hon. Uteem!

(6.23 p.m.)

**Mr R. Uteem (First Member for Port Louis South & Port Louis Central):** Madam Speaker, the main objective of this Bill, as its name suggests, is to facilitate the doing of business and incidentally, as has been pointed out by the hon. Prime Minister, to improve the



ranking of Mauritius in the Ease of Doing Business Report published annually by the World Bank.

Now, what is this Ease of Doing Business Report? It is an Index prepared by the World Bank annually where the World Bank ranks 190 countries depending on 10 criteria. So, the higher you rank in this Index, the better you are as attracting investment because it shows that you are investment friendly. In 2017, Mauritius was ranked 49<sup>th</sup>, 49<sup>th</sup> down 17 places, because in 2016 we were 32<sup>nd</sup>, between 2009 and 2013, we were between 17<sup>th</sup> and 23<sup>rd</sup>. So, it is no surprise that reacting to the decline in this ranking in the Ease of Doing Business Report, the Rs100,000 – the adviser to the Prime Minister, last year, fearlessly, stated that such a downgrading was *embarrassant*.

Answering to a PQ in November last year, the hon. Minister of Finance and Economic Development conceded that he was not happy with the fact that we had *réculé en termes de* ranking. He stated, and I quote –

“We will do whatever it takes and we are going to look at whatever other measures that have to be implemented so that we have a better ranking with regard to the Ease of Doing Business.”

This is what the then hon. Minister of Finance and Economic Development stated: we are going to take whatever measures necessary to improve our ranking. But, will the measures being proposed in this Bill today improve the situation?

Unfortunately, Madam Speaker, I am afraid that despite all the good intention from the Government, the impact is likely to be very minimal. Of course, there are some positive measures such as the setting up of an electronic licensing system for the application, processing and determination of permit. There will be the ability now to file document electronically and to carry out searches electronically.

We also have no issue with the Mauritius Revenue Authority now becoming the collecting agent for the payment of National Pension Fund, National Solidarity Fund, recycling fees and levy. But will these measures, Madam Speaker, make a difference? Again, I don't think there will be any significant difference. We need investment. We need investment because without investment, there will be no meaningful growth and without meaningful growth, there will be no creation of jobs, there will be no prosperity, there will be no improvement in our standard of living.

The competition out there is fierce. It is not enough for us just to make changes to facilitate doing business in Mauritius. We need to be more attractive than our competitors. We need to do more than them and they are not resting on their laurels. Last year, if we declined in the ranking of Ease of Doing Business, yes, part of it was our fault, but part of it was due to our competitors taking measures to improve their ranking. So, our competitors are doing better than us.

Now, when we look at the figures, Madam Speaker, for Foreign Direct Investment, in 2015, after this Government came into office, there was a 50% drop in FDI. From Rs18.5 billion in 2014 to only Rs9.6 billion, a 50% drop. Now, according to the latest figures published by the Bank of Mauritius last month, on 04 April, we are told that the FDI for 2016 was Rs13.6 billion.

I heard the hon. Prime Minister on TV and he bragged about: “You know, we have FDI, now we improve. It is 40% more than last year. “Yes, fair enough, you have approved 40% more than last year, but when we compare 2016 figures with 2014 figures, you still underperformed by 25%. Underachievement! This is why I don’t understand how a Government which is underachieving be bragging and sitting on its laurels and be happy and content about the state of our economy! Worse when we analyse the FDI, we see that 75% of the FDI have been invested in real estate, in non-productive assets.

I am not going to repeat all that the Leader of Opposition stated and I agreed totally with him that it is dangerous to put all our FDI to concentrate on real estate. This is not a long-term solution. But I would certainly reply to the comments made by the hon. Minister of Industry when he was talking about improvement in his sector. Let me remind the hon. Minister of Industry that last year, or was it a year before, in his Vision 2030 statement, the then Prime Minister, the then Minister of Finance has committed to increase the share of manufacturing sector from 18% to 25% of GDP.

What happened? What happened to the vision of the then Rt. hon. Prime Minister? How much improvement have we had in industry? Let us see the figures. According to the Bank of Mauritius only 500 m. this year, last year not even 100 m., it was only 91 m. and we compared this to the preceding years, when it was above 1 billion. Again under performance, under achievement!

What happened to the measures announced in the Budget? We were told that Indian investors would be coming, would be investing in bicycles, motorcycles, we were talking about big development in the pharmaceutical sector. Nothing!

Even Albion, which was announced as one of the highlight of the Budget, did not go ahead. And worse, Madam Speaker, we are not able to attract manufacturers, investors in our manufacturing industry, manufacturing sector.

When we look at the figures of the Bank of Mauritius, when we look at outbound investment, what do we see? This year 2016, the amount of investment by Mauritians in manufacturing sector outside of Mauritius is Rs812 m., we attracted only Rs500 m. and we exported Rs812 m.

A net export, how are we going to improve our manufacturing sector? Why is it that our manufacturers are not investing in Mauritius? Why do they prefer to delocalise? Why are they going to Bangladesh? Is Mauritius less attractive than Bangladesh? Is it easier to do business in Bangladesh?

There have been numerous PQs asked in this House about the difficulty of our local manufacturers to get work permits, to renew work permits and I know there has been other political interference in order to make sure that one factory gets permit because it was blocked at the level of the Ministry.

There is even a core that there is a mafia, an organised mafia, with respect to import of labour from Bangladesh who comes to work in textile industry. So, how can we ever expect to improve, to facilitate investment when we have such rigidities in our own local manufacturing sector?

Is this Bill that is before this House going to change anything? Again, Madam Speaker, I am afraid there would not be any significant improvement. What we need, Madam Speaker, what we really need is a fundamental change in attitude and in procedure. What we need is to replace red tapism with red carpet. What we need is to reduce the number of steps and the time frames involved from the conception of a project to its realisation. What we need is to reduce, if not eliminate all discretionary and subjective element in the licensing process. We need objective criteria. Above all, Madam Speaker, we need to take exemplary sanctions against those crooks who take thousands of dollars, just to fix a meeting between an investor and a Minister. It is simply unacceptable, Madam Speaker, that today a person

employed by this Government sitting on a Board as Chairman, should act as facilitator, should take 15,000 dollars to facilitate investment in this country. I don't know how much money was taken so that an investor could take a picture with the hon. Prime Minister.

How can this be a sign? How can we attract investors? Do we really need these crooks? Do we really need these courtiers, these brokers, these intermediaries? Why is there, Madam Speaker, a perception that you need backing *pour faire avancer un dossier*? Why is there a perception that you need to take the services of such and such person in order not to be hassled? This is the problem in this country, Madam Speaker. Every person who wants to do business has *un véritable parcours de combattant* and they need to know someone who knows someone to get their *dossier avancé* and until we change this mentality, until we change this *façon de faire, de réfléchir, d'agir*, there would be no improvement in the business field. And is this Business Facilitation (Miscellaneous Provisions) Bill going to make any difference? I am afraid, Madam Speaker, it will make very insignificant difference.

Madam Speaker, I would not be long, I would not repeat all the valid points made by the hon. Leader of the Opposition, he went clause by clause on the Bill and I will limit my comments on only two aspects of this Bill which have not been covered by the hon. Leader of the Opposition.

The first one is the proposed amendment that is being introduced for companies and foundations. It is proposed that companies and foundations will no longer be able to make use of a corporate seal. Now, the situation today is that a company which wants to enter into a contract can either execute the contract by a person with express or implied authority or the company can affix the common seal of the company to the document. Today it is optional, there is no obligation on the company to have a seal, to use the seal, and it is discretionary. But if we remove this requirement, this ability of a company or foundation to have a seal, we may have very unintended consequences.

Unfortunately, Madam Speaker, in many countries, certain documents are required to be executed as a deed. Documents which are entered into without consideration in many jurisdictions, especially in the Commonwealth countries, the common law background, they need to affix a seal to a deed, whether it is a deed of charge, acquisition of a property or a guarantee, there is a local requirement for a company to affix its seal to that document for it to be valid binding and enforceable.

And today we are making it illegal to have a seal; we are not given even the option to the company to have a seal. Unfortunately, the hon. Prime Minister is not here, but I would urge him to reconsider, to revisit his decision because, as I said today, it is optional. Companies which do not want to have a seal can choose not to have a seal. Companies which do not want to use a seal, can choose not to use a seal, but companies which want to have a seal, even today if you look at the application forms even in Mauritius, some of the application forms for business, there is a printed place where you have to affix the seal of the company. Now we will have to change all these documents, *toute la papeterie*. So, I would urge the hon. Prime Minister to revisit, reconsider this decision of abolishing the requirement of seal.

The second and last provision I would like to comment on is the amendment to the Insolvency Act. This is a welcome amendment; there is a new section 197(A) which is being introduced relating to remuneration of receiver. This is most welcome, Madam Speaker. We are regulating the remuneration which a receiver can claim and which will not exceed the prescribed percentage of the gross realisation proceeds on disposal of assets.

Madam Speaker, I still remember, I was a young barrister in those days and I had a case before a judge, a sitting judge now. I still remember what he told me. It was a receivership case and there was an injunction to prevent the receiver from taking over the business. That learned Judge, Madam Speaker, told me that, for him, receivers were modern age despots because they come in, they prey on the business, they prey on the misery of borrowers. Once they have taken charge of the company, they do whatever they want. Very often, instead of trying to save the company, instead of trying to rearrange the business of the company, they act as liquidator. Instead of selling the company as a going concern, as a business, and get a fair return, they would dismantle the business, they would act as liquidator. They would sell part of the business separately. And, of course, they do not care! They do not care as they have vested interests because they charge a percentage commission of the disposal of assets. So, if they sell the business, they have to take a long time to look for investors. It may take years and it may go on or not, whereas once they are appointed, they take the immovable property and they just sell it. Then, they get their commission, and that is the end of the matter.

I also commend the Government for introducing a new section 376A in the Insolvency Act, which will now allow directors to sue insolvency practitioners who do not

comply with the Act. Again, this is very positive because now we are introducing a recourse which directors may have against unscrupulous receivers, receivers who do not observe the trade, who do not act properly, receivers who, for example, do not secure the best price in the circumstances, but also receivers who are in blatant conflict of interest, receivers who appoint members of their firms as investment advisers, transaction advisers, without calling for independent tenders. Very often, once the receiver is appointed, he will get people from his firm to go and do other things related, and this is a big conflict of interest. Up till now, the directors did not have any recourse against the insolvency practitioners. So, this is a welcome measure, Madam Speaker.

But, then, why regulate only the remuneration of receivers? Why not regulate the remuneration of all insolvency practitioners? Why not regulate the remuneration of administrators? Why not regulate the remuneration of special administrators? We have had Parliamentary Questions in this Parliament about the fees of the special administrators of the BAI Company (Mauritius). We had the then Minister of Financial Services coming to say that the FSC had revoked the appointment of the former special administrator because of dispute as to the fees payable. I hope the new Minister of Financial Services, in his intervention, will be able to tell us what happened to those fees, whether they were paid, whether they were settled or not, just like I hope that he will also enlighten us if the Rs25 m. fees claimed by the administrator appointed by the directors of the BAI for less than 18 days of work have been settled as well. The gentleman has just been appointed on the Commission of Enquiry to look into the sale of the BAI assets.

Madam Speaker, like I said, there are some good and interesting measures in this Bill. But to start a business is still very difficult. Only a few days ago, the president of the *fédération des PME*, in an interview, stated, and I quote –

*“ Les plus gros problèmes demeurent la lourdeur administrative, le retard dans l’application des mesures budgétaires et le manque d’espaces industriels destinés aux PME. (...) Il y a donc un certain découragement. ”*

It is not my saying; that is what the SMEs are saying. There is *lourdeur administrative*.

Madam Speaker, if we want to facilitate business, we need above all a change in attitude. All the bureaucracy need to change their attitude. We should once and for all realise that we need investors and not the other way round, and we are not doing investors a favour,

it is the investors who are doing us a favour. Now, will the measures announced in this Bill make any difference? Unfortunately, Madam Speaker, I do not think they will make any significant difference.

Thank you.

**Madam Speaker:** Hon. Gayan!

(6.44 p.m.)

**The Minister of Tourism (Mr A. Gayan):** Thank you, Madam Speaker. Madam Speaker, I would like first of all to express to the hon. Prime Minister my appreciation for bringing this particular Business Facilitation (Miscellaneous Provisions) Bill to the House.

The Explanatory Memorandum, Madam Speaker, says, and I quote –

“The object of this Bill is to provide for amendments to the legislative framework that are necessary for the removal of constraints in relation to permits, licences, authorisations and clearances to further facilitate the doing of business, and for related matters.”

I must say, Madam Speaker, that I listened to hon. Uteem who said some things which are very interesting, and I think I agree with quite a number of things that he said. But his conclusion that this is not going to facilitate the ease of doing business in Mauritius is not borne out by what is in fact happening. There has been a change in mentality at the level of Government to improve the way we take decisions and the speed with which decisions are taken.

The hon. Leader of the Opposition knows that when he was in Government, he himself presided over a couple of ministerial meetings where decisions had to be taken in order to fast track certain bottlenecks and certain constraints. We are still having this kind of meeting because we do realise that investors do not come to Mauritius because they like Mauritius or they like Mauritians. They come to Mauritius as investors because they know that Mauritius is a friendly place to do business and that they will have a very good return on their investment. That is what businessmen are for. They are not here to do charity work or to do humanitarian work. They are here to make money, and we are not alone in the world. I agree with hon. Uteem who said that the World Bank publishes a report every year on the Ease of Doing Business in 190 countries, and every country is very conscious of the ranking

that it enjoys in that report. It is because of the ranking that we have had to come with this particular Bill, because we dropped 17 places last year.

It was not a good thing for Mauritius because the ease of doing business is something that is looked at by all investors all over the world, and we want Mauritius to be attractive for any business people. So, this is why the drop last year was a shock and it called on Government to take measures that are necessary to improve the climate for investment and for business. But I must say that this is not the be all and the end all of everything. I will come later to some of the things that we need to do in order to further improve business, the ease of doing business. But there are some constraints which have been identified by a steering committee that was set up after the report of the World Bank. We hope that when the World Bank report comes out this year, we will have improved our ranking. But this ranking, Madam Speaker, is not something that we alone in Mauritius watch. In India, for example, there used to be a time when people called India the Licence Raj. Who was going to give the licence determined the fate of a business. When Narendra Modi became Prime Minister, after his experience as Chief Minister of Gujarat, he started easing the way of doing business in India.

After having been in power for almost three years, India moved only one rank last year. They hope to move even further this year. So, everybody is concerned about the climate for investment and climate for business people to operate in. So, this is why I say that this is not the end of the process. When the report of the World Bank comes out, we have to study it and we have to see what measures we can take in order to continue to improve the climate for investment because FDI is very important. We have geographical constraints in Mauritius. We have natural constraints in Mauritius. We are far from population centres. We are far from manufacturing centres. So, we need to be even more attractive as an investment country for businessmen to come. So, this is why it is important that we look at it not in political terms and not to paint Mauritius as a country where nothing is happening.

In fact, Madam Speaker, I was looking at *Le Mauricien* of today. On page 2 - *l'hôtellerie, R 707.5 millions de profit semestriel pour NMH. This is after tax. Des bénéfices après impôts de R 707.5 millions. Bénéfice net d'impôt de R 170 millions pour ABC Banking.* On page 3 - *'tourisme, hausse de 21.1% des arrivées le mois dernier.'*

(Interruptions)



**Madam Speaker:** Are you trying to interrupt him again with provocations?

*(Interruptions)*

**Mr Gayan:** In fact, on page 4, it also improves the environment because we are tackling the problem of drugs. So, when we look at the indicators, we are not doing that badly. Of course, we could do much better.

*(Interruptions)*

Of course, we could have. Hon. X. L. Duval has gone for the last four months.

*(Interruptions)*

I will not get into this kind of gutter attitude, Madam Speaker.

*(Interruptions)*

**Madam Speaker:** And they talk about provocations! And we see who is provoking!

*(Interruptions)*

Sorry, who? Hon. Bhadain, what did you say?

**Mr Bhadain:** I was talking to...

**Madam Speaker:** You were talking to somebody else.

**Mr Bhadain:** Do you have a problem with that, Madam Speaker?

*(Interruptions)*

**Madam Speaker:** Sorry! Did you ask me whether I have a problem with this?

*(Interruptions)*

Hon. Bhadain, did you ask me whether I have a problem with this?

**Hon. Bhadain:** Yes!

**Madam Speaker:** If you do, then you are challenging the authority of the Chair. I am just reminding you of this.

*(Interruptions)*

Yes.

**Mr Gayan:** Madam Speaker, this Bill addresses some very important areas in the way one does business because there were weaknesses that were identified and the weaknesses have been addressed. I will just give the main areas where these weaknesses were and how they have been addressed in the Bill –

- facilitating cross-border trade;
- expediting the process to start a business;
- improving the processing and issue of construction permits;
- facilitating the process to register property;
- improving the insolvency procedures;
- improving the system for collection of taxes and levies;
- improving access to finance;
- implementing the e-licensing project, and also
- a system of predictability.

I think all business people need to know what is the legal regime that is going to apply. Predictability is of the utmost importance.

I will also agree with hon. Uteem about the receiver managers who simply liquidate businesses. In fact, from my own experience during my practice as a Barrister, there was a company that was put on receivership. Within less than 12 hours, the whole business had been sold. We did not even have time to go to Court to stop anything. So, it is a serious problem with the way receiver managers have been working in this country, but this also is being addressed maybe not fully, but I must also reply to hon. Uteem about these insolvency weaknesses that he identified.

The amendments that are being brought, Madam Speaker, to the Insolvency Act are meant to strengthen and to bring more clarity to insolvency procedures by giving more powers to the Director of insolvency services to take sanctions against any non-compliant insolvency practitioner. These practitioners sometimes persistently fail to comply with the law or any directions that are issued to them.

There is also an obligation to report on any bankruptcy case so that the register of bankruptcy is kept up-to-date. I was clarifying the winding up process. So, there are improvements in the insolvency procedures.

Madam Speaker, let me talk about some other things that have been mentioned about the ease of doing business. How easy or how hard is it for anybody to start a business in Mauritius? For those who know the system, it might be easier, but for somebody new coming in, it is, as has been said, *un parcours du combattant*. It is the intention of Government to make it very easy for anybody to start a business. But starting a business doesn't mean doing away with Regulations or with protection for the environment or for anything which is unlawful. It will have to be within a legal framework. It will have to be in compliance with all the laws and Regulations of the country. There will have to be no red tape. We don't want to become like India, the 'Licence Raj' as it used to be in India.

I must also say, Madam Speaker, that when we are trying to improve the way we do business, get business to move fast because any investor who comes to the country, he has his money, he has his know-how, he is ready to start and then he is confronted by all sorts of hassles of an administrative nature or some regulatory authority.

In fact, the Vice-Prime Minister is chairing a committee, Madam Speaker, where we are addressing in presence of other Ministries and other bodies that are dealing with applications for approvals of permits in one forum. Everybody comes to that place and we identified the bottlenecks, the constraints, so that action can be taken fast. I am very impressed by the way the Vice-Prime Minister is chairing the meetings because we give time frames. We say that the philosophy that we have adopted is this: do not tell us that it cannot be done, just tell us what we need to do in order to have it done. So, this is the mindset that we are applying and I must say, with a great deal of satisfaction that it has been working.

When we are working in that sense, Madam Speaker, we have Motions of Disallowance that come to this House. There was a Motion of Disallowance against the FSC. What was the FSC trying to do? Simplifying the transfer of shares for non-voting shares because of the volume of shares that were being transferred! A lot of fuss was created in this House, but it was for the ease of doing business. The same for the Metro Express, for the EIA! My colleague, hon. Bodha, had said that whatever we do with the Metro Express, it will have to be compliant with the Environment Impact Assessment (EIA). It may not be the whole process, but the content of the EIA will be there. But still, hon. Armance came up with a Motion of Disallowance, and there is another Motion of Disallowance and we are here until three or four in the morning. We are looking forward to that. What we want to do, Madam Speaker, is to do away with the red tape because red tape is costly. I agree that discretionary

powers are also bad for ease of doing business. I also agree that we should not lose any business opportunities.

Regulations exist and we need regulations because we need to have a regulatory framework for any business that goes on. We must make sure that the regulations do not become a serious handicap to paralyse any business opportunities.

Madam Speaker, a lot was said by the hon. Leader of the Opposition about e-Licensing. In fact, it is true; we launched the online licensing system for the Tourism Authority and I said that we need that system to be transparent. People must know what is happening to their applications when they file them so that they can trace them. They can track their applications any time, and in the event that there is a refusal of a licence, reasons must be given for that refusal so that it is fully transparent, but for that to work, people must send and submit all the information as required. The computer acts only when everything is ready because it is a paperless system. The Leader of the Opposition is asking me to congratulate him for that. I have no problem.

**Madam Speaker:** You cannot talk to the Leader of the Opposition. You have to address the Chair!

*(Interruptions)*

**Mr Gayan:** I am sorry. As a Democrat, I believe in the continuity of Government. I believe that whatever has happened, has happened because we are collectively responsible, and I was part of that collective responsibility as well.

*(Interruptions)*

Madam Speaker, we tend to think in Mauritius that we are the centre of the world, but we are not. We are a tiny spot in the Indian Ocean.

When preparing for this debate, I tried to see how things have moved in some other parts of the world. I went to China – not physically - and I looked at how, today, this year marks the 20<sup>th</sup> anniversary of the handover of Hong Kong to mainland China. When this happened in 1997, Hong Kong represented 16% of the Chinese economy and then Shenzhen came along. When Shenzhen came along, China started liberalising. There were all sorts of businesses starting in Shenzhen. Today, Shenzhen is the dominant factor in the Chinese economy and Hong Kong has dropped from 16% to 3%, and if the trend continues, Hong

Kong will become irrelevant to China. The business model that existed is no longer relevant. Shenzhen has moved; Shenzhen, today, has the largest number of high quality of patents filing in the world because they have start-ups. They have people who are investing in research and development, and we, in Mauritius, must move away from that mentality that everything can happen through Government. The private sector must invest in research and development in many sectors. We are opening up, as Government, new areas like the ocean economy, renewable energy, agro-industry, and we are also investing massively in education for our young people.

The previous Government said there had to be one graduate in every family, maybe there is one graduate in every family. It is good that there is one graduate in every family, but those graduates must invest in research and do something good for the country like other young people are doing in other parts of the world. There will have to be a change in mindset. We have to be open to the world and we have to start looking for things that we can do better than others and how we can improve on research.

Madam Speaker, we need to monitor, we need to adapt, we need to upgrade. We cannot be static. The economy is dynamic, and we must also understand that businessmen do not have permanent friends. They are fickle. They will move wherever they have a higher chance of earning a profit. They are not wedded to any country. They move where they will improve their chances of earning more money. This is why it is important, Madam Speaker, that we, in Mauritius, do whatever we can to improve the infrastructure, to improve energy, the transport, the airport, and also the work permits. I believe that we have an ageing population today in Mauritius. With an ageing population, our workforce will be reduced. It is already being reduced and we will have to be imaginative and innovative in the way we deal with how we are going to service all the industries that will come up, all the new areas of development that we are working on. So, all these things will have to happen, and for this, we must change the mindset and we must be open to anything that we need to do in order to improve the legal framework for permits and all that.

Madam Speaker, I was talking earlier about patents, about the power of the intellect and the brain to improve on the way we do things or to do things differently. Somebody said that we do not have to do different things, we have to do things differently, but we can do both. We can do different things, and we can also do things differently. I will give some figures so that we understand the magnitude of the weaknesses in our system. I checked from

the Intellectual Property Office, Madam Speaker, the number of applications of patents which are filed at that office in the last three years. In 2014, there were 21; in 2015 - 20 and 2016 – 30, but what is more important, of these applications, the number granted was 9 in 2014; 4 in 2015 and 2 in 2016. This is very bad. We need to improve and we cannot continue to rely on foreigners to come and do things that we can do much better. We have the talent. We have the intellect. We have the brain and we have the brawn. We must be able to make use of all these things in order to improve the chances of success for our country.

We need to do what Israel did in the 1950s. Israel started by exporting fruits and then they realised that there was more money to be made in exporting seeds, and they changed their business model. They started exporting seeds and they were making much more money for lesser volume. So, we must look at all opportunities. The world is wide open and we must start thinking big. We may be a small country, but we may be big in terms of what we can bring not only to our business model but also to the world at large.

Madam Speaker, we have to encourage the young ones to have start-ups. Many will fail, but for the one who succeeds that is going to make the difference for the country. This is why I say that this particular Bill is not the end of the world, it is the beginning. Because it is the beginning, this is why I say that we have to be innovative; we have to look to the future; we have to invest in our young people; we have to invest in research and development, and we must be able to maximise all the opportunities that this Bill brings. As I said again, this is not the end. This is the beginning of a great adventure.

I thank you, Madam Speaker.

**Madam Speaker:** Hon. Léopold!

(7.08 p.m.)

**Mr J. B. Léopold (Second Member for Rodrigues):** Thank you, Madam. I have been listening to all the hon. Members who have spoken before me and it is clear that we are living in a time of great economic challenges both domestically and globally. Therefore, the role of Government is to get policy setting right to make necessary changes to always position us as winners.

So much has been said in the Budget 2015-2016 so as to ease doing business. If we look at the actual Act, the one which governs the facilitation of doing business in the Republic of Mauritius, it comprises of more than 25 plus clauses, exhaustive clauses and

voluminous as well. It is important here to point out that legislative framework to guide the way of doing business in the Republic of Mauritius is very important. In fact, if we look at other countries in the same situation as us, we are doing very well, just to say that regulation is very important. What we are doing here tonight, Madam Speaker, we are making regulations more comprehensive, meaningful and therefore, avoid the bad effects that the over regulations or unnecessary regulations have on business and its creation.

For entrepreneurs to master so many clauses of the law, some of them are unnecessary and have damaging effects on business and place the extra burden on business managers, thus avoiding them to focus on most important issues like creativity, performance and productivity. So, overregulation has a cost. Having listened to so many entrepreneurs' complaints about the constraint they go through, it is about time to remove legislative obstacles, hence, eliminate the heavy compliance with distracting effects.

Madam Speaker, I am supporting the amendments that are brought forward to this Bill tonight because I believe that by creating good business environment, this will help to promote prosperity and conquer poverty within the Republic of Mauritius. This Bill will bring equality to all. Talking about equality - in all the territories of the Republic of Mauritius, the educational system is the same, so should be the opportunity too.

Madam Speaker, I am talking about the constituency which I represent here, especially for the young entrepreneurs of Rodrigues. As I mentioned earlier, we are all products of the same educational system, so should be the opportunity in doing business. During his first official visit to Rodrigues as Head of Government, the hon. Prime Minister had noticed by himself that our youth are facing more difficulties and he so-called it a gap which needed to be bridged. I am talking here, Madam, about educated, unemployed youth of Rodrigues who are full of energy, ready to work, and most importantly, are innovative. Why do they have problem to start business despite being of the same Republic?

Madam Speaker, SMEs can contribute up to 40% of GDP of a country and medium enterprises can employ up to 200 persons. With only 10 successful medium enterprises in Rodrigues, unemployment among the youths will be something of the past. So, Rodriguan youths need to have the same business facilitation so as to render the Republic more prosperous.

I am of the view that it is not the Government that creates wealth. It is businesses which create wealth by generating incomes then, the Government can only tax. Therefore, it is important that all facilities be given to people to make business successful, to allow the raising of revenue and in turn Government will be able to improve infrastructure, hospital services and so on, to bridge that gap and give the Rodriguan youths the same opportunity to thrive in doing business and, hence, contribute further in reducing the national deficit. We urgently need information and communication technology facilities, rapid Internet connection, proper airport and seaport infrastructures. Why good connectivity is so important for doing business? With the knowledge that our young people have in our days in ICT, it is important. It is important because it will enable businesses, especially SMEs, - I will focus here on SME - to enter the global digital chains; otherwise, they will be left behind if they don't have those ICT facilities.

Without good connectivity, Rodrigues will lose out on competition and the young people who will be interested in starting their own enterprises, once they start up despite all the facilities given, they will fail. So, we will need to adopt ICT. The lack of it will erode the SMEs' profits; they will end up without sufficient resources to enter the competition and will have to exit the market.

In the last Budget 2016-2017, there are lots of efforts on the part of the Government with incentives to start business; the Government is providing, for example, financing, launching of SME Park, setting up of one-stop shop, fiscal incentives and tax breaks.

Tonight, the Government is coming with the simplification of starting business by making legislative amendments so as to remove constraints. Those measures are very good and, over and above, Government will need to top that with proper ICT policy. It is very important, therefore, that the Government comes on strengthening policies for adopting ICT in SMEs so that entrepreneurs can fully exploit its potential. It will be money well spent by Government as it is a fact that the SME sector is a tool for economic development, poverty reduction and creation of jobs. So, again, I welcome the step forward in easing the life of entrepreneurs by giving young entrepreneurs the necessary tools and incentive so as to empower them. In Rodrigues, as I have already said, we need to have more rapid Internet connection so as to keep up pace, thus remain competitive.

On this note, I thank you, Madam Speaker.



**Madam Speaker:** Hon. Baboo!

(7.17 p.m.)

**Mr S. Baboo (Second Member for Vacoas & Floreal):** Thank you, Madam Speaker. Madam Speaker, we understand the initiative of this Government to counteract further to the decline of Mauritius in the Ease of Doing Business Index reaching an all-time high of 49 in 2016.

I would not open the debate as to what hon. Gayan said regarding Hong Kong. Well, it is true that business rate has fallen down in Hong Kong, we can say nearly zero per cent - he said 3% - because his competitors strengthen. It is because of the lack of facilities there nowadays in Hong Kong. We can say China is considering Hong Kong as another country, not even that Hong Kong is part of itself.

I am sure that on this side of the House we are having high expectations to the content of the amendment to this Bill, maybe a Pygmalion effect vis-à-vis this Government's commitment to launch a range of changes aimed at galvanising the bureaucracy, alleviating the concerns of industries, improving public sentiment in order to reignite the business environment.

In 2006, Madam Speaker, the Business Facilitation Bill was introduced as a booster vehicle which had brought vast development, reforms in the business environment and confidence within the business and economic players. Reforms have been preponderous in having Mauritius a record ranking of 17<sup>th</sup> in the Ease of Doing Business Index 2009, as mentioned before by the hon. Leader of the Opposition.

Maybe after a decade and after having a Budget 2016-2017 seen as a new era of development, we were looking forward to avant-gardist innovative business strategies and measures aimed at stimulating both domestic and foreign direct investment with major and substantial decrease of bureaucracy.

If we take section 24 of the Companies Act which Clause 4 of the Bill proposes to amend, Madam Speaker, I beg to differ that this proposed amendment will alleviate administrative procedures. We must understand that the objective of a businessman in setting up a new company is to start trading as soon as possible. In order to start trading, as initial step the businessman needs to have a bank account opened for his company. Unfortunately,

banks do not accept electronic generated documents unless these are duly certified, authenticated by authorised persons.

The certificate of incorporation, Madam Speaker, is conducive evidence that the registration requirements of the Companies Act has been complied with and that the company is duly registered. Even the Companies House imposes that the certificate of incorporation must be signed by the Registrar or authenticated by the Registrar's official seal. Therefore, instead of providing a certificate electronically, it would be more suitable from the beginning itself to have it signed and stamped by the Registrar, which will be a more efficient approach for both the applicant and the Registrar of Companies. No major changes are being proposed further to the provision of the Business Registration Act, or the Companies Act, or the Insolvency Act than removing the responsibility which was stipulated for the Minister to be changed to the Registrar and the exemption from using the company or common seal.

I would have rather expected, Madam Speaker, a more innovative approach from the Prime Minister by proposing –

- (i) upgrading the online portal CBRIS towards a more rapid and efficient system, less time consuming for stationary filings and that covers all the registration services, including foundation and limited partnerships;
- (ii) reducing the timeframe for incorporation for companies with simple business activities that these are incorporated within one working day;
- (iii) the possibility of filing financial statements electronically;
- (iv) the possibility of filing particular of charges, discharge of liens, statements on the online platform;
- (v) the introduction of email alerts informing users when their accounts are due for filing;
- (vi) making summary of files readily available on CBRIS and ensure that the electronic version is accepted by all stakeholders, therefore lessening red tape;
- (vii) having a dedicated and a specialised customer service department whereby any information seeker, business, offshore professionals can obtain information on services provided by the office on any information related to the setting up of any type of company, foundation, limited partnerships, on voluntary winding up, liquidation and on filing and so on;

- (viii) a list of approved auditors and liquidators made available on the online platform, and
- (ix) in relation to global business company, Madam Speaker, it was announced that the Registrar of Companies and Financial Services Commission would be working in conjunction in order to lessen bureaucracy. Unfortunately, the situation is still the same. We should promote a share mindset, a perceptive, a roadmap of how each collaborating institution operates and develops business processes that cut across organisational boundaries.

Madam Speaker, as far as section 139 of the Act which Clause 11 of the Bill proposes to amend, I note that the new Clause 4 brings to confusion, and I quote –

“A winding up resolution referred to in subsection (1) may be passed in the manner provided for under section 117 of the Companies Act.”

It is understood, therefore, that in addition to the required documents information as stipulated in Clause 123 a shareholder’s resolution will also have to be provided to the Companies Division for winding up procedures, if we can get clarification on this, Madam Speaker.

For section 142 of the Act which Clause 11 of the Bill proposes to amend, there is no substantial change here as well. A Director being the Officer or representative of the company and debtor shall need to be informed of the creditors notice or bankruptcy notice for representation purposes. As for the addition of new subsection (6) to section 159 defining the word “liquidator”, Madam Speaker, the existing Act already makes provision for the same.

Madam Speaker, let me now come to the Investment Promotion Act section 18CA of the Companies Act which Clause 12 of the Bill proposes to amend. The Bill proposes to repeal paragraph (c) of subsection (3), which I quote –

“(c) where the application is or is to be granted –

- (i) collect any fee or charge payable under the relevant enactment and remit as soon as practicable the amount so collected to the relevant public sector agency;
- (ii) give notice to the enterprise, within 10 days from receipt of notification by the relevant public sector agency, that the application has been granted, and

(iii) deliver the permit, licence, authorisation or clearance to the applicant.”

We would like to understand the rationale behind removing these services, instead of having the BOI putting them efficiently in practice. The repeal of paragraph (c) of subsection 3 derogates the role of the BOI. Clause 6 of the Investment Promotion Act, Madam Speaker, clearly stipulates the functions of the BOI and clause 6(j) states, and I quote –

**“6. Functions of Board of Investment**

The Board of Investment shall have such functions as, in its opinion, are necessary to further most effectively its objects, and in particular to -

(j) act as the single interface with all investors and liaise with relevant authorities for the granting of occupation permits, residence permits and other relevant permits required by the investor to operate in Mauritius;”

Madam Speaker, investors and entrepreneurs have constantly highlighted the negative impact of bureaucracy on investment, business operations, productivity and costs.

Foreign investors planning to apply for occupation permits, in view of investing in Mauritius, have deplored the lengthy red tape and the time taken for the clearance of the relevant permits and licenses.

I would request, Madam Speaker, that the hon. Prime Minister considers this suggestion and that the BOI remains the one-stop shop and maintains its role of the main business facilitator for foreign investors. As we can see nowadays, the BOI is losing its credibility and experiencing unhealthy competition, having its *tête d’affiche* as the single interface with potential foreign investors being stolen by politically involved or nominated people who are playing the role of consultants and auto proclaiming ‘best connected intermediaries’.

Now, coming to the Local Government Act, it is proposed to insert subsection 3(A), and again I quote –

“A local authority having access to the Central Business Registration Database (CBRD) under the Business Registration Act and to the Central Population Database under the Civil Status Act shall not require an applicant to submit or produce his

National Identity Card or, where the applicant is a company, its certificate of incorporation.”

Madam Speaker, can we make an appeal to the hon. Prime Minister to ensure and undertake that these relevant local authorities have access to CBRD and CPD for the best interest of aspiring entrepreneurs and business people?

In relation to the Mauritius Standards Bureau, Madam Speaker, it is noted that provision for a new section 21(A) relating to the requirement and application of an electronic conformity report is being made under the Mauritius Standards Bureau Act. Here, as well, Madam Speaker, can the hon. Prime Minister consider having the necessary web portal available for the online application for the electronic conformity report?

For the *Morcellement* Act, as my previous colleagues mentioned, it is proposed to insert subsections 1(B) (a) and 1(B) (b) after subsection 1(A). This makes room for confusion, and we would appreciate the hon. Prime Minister’s clarification on this. Subsection 1(B) (b) which states, and I quote –

“(b) Notwithstanding subsection 1(A), where the application is accompanied by a preliminary environmental report or an EIA licence, every member of the Board shall convey his stand on the application within 2 weeks of the effective date (...).”

Madam Speaker, every member of the Board shall convey his stand on the application within two weeks of the effective date. I would ask the hon. Prime Minister if he could make the necessary clarification.

I was also anticipating proposals influencing the global business sector from the hon. Prime Minister. It is known that even if the FSC has introduced its online submission platform, it is far from streamlining administrative procedures. Hard copies of legal certificates certified true documents and official financial statements still have to be filed with the Commission! There is an overall frustration prevailing within this sector, with management companies deploring the fact that it has become more cumbersome to obtain a licence nowadays. It is also a matter of fact that it is less probable that the FSC is meeting with stakeholders to listen to ideas, to discuss solutions, and to try to find remedial actions in order to offer a better platform and top-notch services to investors.

Madam Speaker, from the recent scandal, we could see that the fit and proper requirement tests, as per the Financial Services Act, had not been followed. There is a general

opinion within this industry that the FSC is lagging behind, being unable to differentiate between those taking real actions and those who are toxic within the industry. Unfortunately, as I said earlier, Madam Speaker, we note that institutions have simply transited the paper system online without reviewing the procedures and adding value steps. There is a wrong notion of online services among institutions; a service which must be simple, seamless, efficient and cost-effective to improve citizens' daily life, and promote business and investment through revised procedures and processes.

We take note, Madam Speaker, of this Government's intention to reform, regulate the tax collection aspect and post-tax filing further to the country's deep decline in the pay-tax indicator of the last Ease of doing Business Report of the World Bank.

The Government's intention to reorganise processes with the proposed amendments to the Land (Duties and Taxes) Act, the *Morcellement* Act, the Notaries Act, the Environment Protection Act and the National Pensions Act with the inclusion of a new paragraph (E) in section 24(2) (b) for the vulnerable employers. On this side of the House, Madam Speaker, we are not using this Bill to do cheap politics. We are not criticising only for the sake of criticising, but striving, in our arguments, to suggest concrete, reasonable solutions to reduce Mauritius red tape, simplify rules, regulations and processes.

After a decade, we are expecting a Bill which keeps pace with the country's economic evolution. We are expecting a strong appetite of this Government, a political willingness, no nonsense, and pro-business attitude to bring substantial, concrete, diversifying reforms to promote start-ups, small businesses, domestic and foreign direct investment.

I am here talking en *connaissance de cause*. The current business environment is not stimulating new entrepreneurs and investors to take the risk. It will take steps like progressive policy; streamline bureaucracy and a simplified project approval process to make Mauritius more entrepreneur-friendly.

We are no more living in the era where entrepreneurship was focused on self-employment and individual wealth creation. Bureaucratic procedures and processes for approval of licences need to get much simpler if Mauritius is to become a country where it is easy to do business. A business environment where entrepreneurs can spend more time developing and marketing products, managing operations, creating jobs instead of chasing papers for approval and public officers. Only then we will be able to see our young people

taking the risk of starting their own ventures after university or leaving their comfortable well-paid jobs to follow their dreams and help in our economic diversification and growth.

Madam Speaker, we were also expecting proposals for amendment to the Passport Act for the introduction of E-visa as well as online application for extension of business visa to boost tourism and investors stay in Mauritius conducive to more revenues. The queuing up for hours at the Passport Office for the extension of visa is outmoded. There is the expectation.

Madam Speaker, for a serious reform in the public and parastatal bodies, to counteract their imperfections, lethargy, the crisis of governance which affects the economic competitiveness of the island and restraining growth by starting with the appointment of competent people from the masses based on meritocracy to help and reform these bodies. So,...

*(Interruptions)*

**Madam Speaker:** Hon. Gayan!

**Mr Baboo:** Madam Speaker, we want to see concrete participative actions from the different Ministries, especially from the Ministry of Financial Services, Good Governance and Industrial Reforms whose mission as depicted on its website is to provide guidance and support for the enforcement of good governance, promotion of financial services and re-engineering of public sector bodies to eradicate fraud, corruption, malpractices and irregularities in all aspects of public life and restore the national values of the country.

I would end, by saying, Madam Speaker, that it is high time to make substantial amendments to the legislative framework with changes that can lead to sustainable impact removing chronic bureaucratic hurdles, holding Government, civil service and parastatal bodies accountable for results, investing in the capability to deliver results in the public sector, including through sourcing services effectively from the private sector and making the overdue structural changes that are hindering the island's economic growth.

Thank you, Madam Speaker.

**Madam Speaker:** Hon. Bholah!

(7.42 p.m.)

**The Minister of Business, Enterprise and Cooperatives (Mr S. Bholah):** Thank you, Madam Speaker. I must say that I take pride in participating in this debate regarding the Business Facilitation (Miscellaneous Provisions) Bill whereby very valuable and interesting points have been put forward by Members who have spoken before me from both sides of the House.

We are, in fact, today witnessing a shifting global business landscape and we have to strive to adapt to the profoundly altering competitive dynamics that ensues. Government simply cannot afford to be complacent about a change of such magnitude. This gives us a measure of the relevance of the introduction of a refreshed Business Facilitation Act. The measures proposed therein are primarily aimed at improving the investment climate by simplifying business procedures and leveraging technology in supporting business facilitation.

The Bill also provides for measures that will help in creating conditions to improve human capital development and thus enhance productivity and economic growth. Madam Speaker, at the level of doing business for too long, our economy has operated in an environment where obtaining approval and permits to start and grow a business is complex, lengthy and onerous. Our economy is in dire need of being freed from needless bureaucracy, constraining regulations and administrative procedures that have not been able to adapt to the new exigencies of the environment and that are disincentive to investment.

A stronger growth path is possible, but this is contingent on substantial improvement in private investment, particularly private corporate investment. As a survey result of successive global competitiveness report shows, countries with a better investment climate, tend to have higher rates of capital accumulation, higher rates of capital formation, fuel productivity and economic growth. Addressing the weaknesses of the business and investment climate via appropriate policy reforms will significantly contribute to enhancing the economy's productivity and long-term growth.

Madam Speaker, the object of the Business Facilitation Bill is to provide for amendments to a 10-year old legislative framework. Amendments that are necessary for the removal of constraints in relation to permits, licences, authorisations and clearances to further facilitate the doing of business in Mauritius. 26 Acts are being amended with the objective of further streamlining administrative procedures and eliminating bottlenecks that stifle investment in the country, thus paving the way for creation of an energised business climate.



This is what investors are expecting and we must always have our finger on the pulse of the business community. It is highly important that investors and entrepreneurs across the economic spectrum view Mauritius as a land where the ease of doing business always prevails.

However, in the Doing Business Report in 2017, which is a flagship report of the World Bank group, Mauritius has lost 17 places in the overall ranking moving from 32 to 49 out of 190 countries and this is fact and figures, we have no argument on this issue.

By way of reminding of Doing Business Report measures aspect of regulation affecting 11 areas as of the life of the business. Ten of these areas are included in this year's ranking, namely: starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, training across borders, enforcing contracts and resolving insolvency.

It is worth noting that New Zealand, Singapore, Denmark, Hong Kong, South Korea, Norway, the UK, Sweden, Macedonia and Taiwan take the top 10 positions in 2017 edition of this report. I agree with the argument put forward by hon. Reza Uteem that we have not done what we had to do years back and other countries have done what they had to do earlier. How does Mauritius fair for most of these indicators? We note an improvement in the course of starting a business which has decreased from 2.0% to 1.8% of *per capita* income mainly due to decreases or exemptions in trade fees, but a discrepancy in the procedures has been noted with the Registrar having the discretion to request marriage certificates from married women, increasing their time to start a business by one day as compared to men.

Moreover, the cost of construction permits remains high, at 0.6% of the warehouse value, whilst it still takes on average 156 days to get all permits. The situation is more critical on the access to electricity where it takes on average 81 days. The country scores alarmingly zero on a maximum of eight on the reliability of supply and transparency of electricity tariffs.

Mauritius is also faced by high freight related costs at the port and airport. Documentary procedures, customs and other costs are particularly high as compared to other countries. In Mauritius, the costs related to export, excluding the freight and inland transport are at \$431 and the costs related to import is at \$538. In 18 countries, including Austria, Denmark, France, and Italy, the cost is nil.

Madam Speaker, these constraints, coupled with consistent improvements in other economies business regulatory environment, are key to the poor performance of Mauritius in the ease of doing Business report. The red tapism and bottlenecks leading to this plunge have, in fact, remained unchecked over the years.

We, as policymakers, are required as a matter of sacred trust to reverse the trend through in-depth reforms at the institutional level for a significant improvement to happen as from this year itself. The new Business Facilitation Bill has, in fact, been specifically crafted to address such issues affecting the smooth process of setting up and conducting business on the island. The move is a reflection of our strong commitment to improve the country's performance in the global Doing Business Report as well as the World Economic Forum Global Competitiveness Index, in which Mauritius ranks at number 45 on the global ladder of 138 countries.

Madam Speaker, the main strands of the Bill are:

- reviewed import and export procedures;
- accelerating the process of starting a business;
- simplifying construction permit procedures;
- improving insolvency procedures;
- easing tax procedures;
- facilitating access to finance, and
- the setting up of an e-licensing platform.

I wish to point out, Madam Speaker, that foreign as well as local investors and entrepreneurs have on numerous occasions drawn the attention of relevant authorities on the potential benefits of the above-mentioned features on investment and business operations and that it was thus high time we pay due attention to their qualms.

According to the economic models of the World Bank ease of doing business, Mauritius is projected to trend around a disappointing 54<sup>th</sup> place in 2020 if we remain inactive, as per a prediction dated 04 May 2017. This is alarming. Therefore, this Bill comes at the right time.

We must act now. An in-depth process review is now a must. In 2015/2016, 137 economies worldwide implemented 283 business regulatory reforms. Doing business has recorded more than 2,900 regulatory reforms making it easier to do business since 2004 with the indicator 'Starting a business' continuing to be the most common reform area. There are clearly more and more economies trying to improve in the areas measured in doing business and several explanations account for such an increase in reform intensity around the world. The most prominent one is that economies are increasingly interested in improving business regulatory conditions as this is a guarantor of their competitiveness on the international scene. This is why we have to take up the challenge of reforming. Government is already showing its strong commitment by executing visible improvement in the existing systems; by leveraging on technology and digital trends to create an enabling business environment. It is thus no surprise that online services are gradually becoming the norm in our institutions. Two public institutions that are well advanced in online services are the Mauritius Revenue Authority (MRA) and the Companies Division. The MRA offers most of its services online, including filing of annual tax returns. The MRA now even allows the public to bid online for the purchase of seized goods. The Companies Division is also allowing the filing of companies' annual returns online as well as fees for the incorporation of companies, including the submission of documents on its portal.

This, however, is not enough. There are so many abnormalities and inconsistencies that are inherent to the existing system at its very root and these plague the business community to an extent that they hamper the sustainability of the local industry.

We simply have to take the case of absence of a level-playing field between local and imported products with regard to norms and standards to take stock of the utter senselessness of the situation. On the one hand, local businessmen in light engineering, for example, have to pay for several justified quality control procedures before having the possibility of placing their products on the local market. On the other hand, the same products brought in through imports are not subject to any quality control procedures and hence freely enter the country at a cheaper market price. This unfair discrimination is even more inadmissible that, very often, those imported products do not comply with the standards and norms that are scrupulously followed by local producers.

Another such example is the excessive delay of authorities while dealing with clearances of goods at the port. For example, for peanut importers from Madagascar, I have

had so many cases of such entrepreneurs deploring the fact that they got the required clearance after far too many weeks for them to be able to sustain their operations and fulfill orders.

There is, hence, an urgent need to concretely tackle those discrepancies at all relevant levels as Mauritius is dangerously moving away from a production nation to an import nation and it would indeed be a pity to enact a Business Facilitation Bill that would benefit simply importers. We get quite a clear indication of this dangerous trend when considering the share of GDP from the manufacturing sector, which has fallen to 17% in recent years while we should aim at a contribution of 25% for Mauritius to fully benefit from opportunities of a healthy industrial base.

Madam Speaker, we imperatively have to do more and the further facilitation of the business environment through the various amendments proposed to the Business Facilitation Act is a reassuring indicator of this Government's drive for efficient and holistic reforms that will have a long-term effect on the country's reliability from the point of view of the business community.

If we only take the starting business indicator of the latest Doing Business index, Mauritius has lost 11 places. We are all conscious of the fact that to start a business, entrepreneurs need a business registration system that is efficient and accessible to all. Doing business data in Argentina, for example, shows that it takes 14 procedures to start a new business, which is double the global average of just seven. So, it is perhaps not surprising that there are only 0.43 formal new businesses per 1,000 adults in Argentina. By contrast, in Georgia, where three procedures are sufficient to start a business - there are over 5.65 formal new businesses per 1,000 adults.

A thorough understanding of the dynamics behind these figures is essential for us, bearing in mind that we want to encourage the emergence of a nation of modern entrepreneurs. We thus need to pay attention to this area. In this vein, the Bill, for example, proposes amendments in Clause 16 to the Local Government Act to simplify the application process for an Outline Planning Permission and a building and land use permit by, *inter alia*, enabling the application to be made electronically in view of realizing the objective of starting a business within one day. The Companies Act is also being amended via Clause 4 to cater for the electronic issue of certificates of incorporation. Other amendments to the Business Registration Act (Clause 2), Limited Partnerships Act (Clause 15), Foundations Act

(Clause 7) and Limited Liability Partnerships Act (Clause 14) fall within the scope of the Starting Business Indicator and will definitely spearhead our country's remount in the corresponding ranking. And I sincerely hope that Clause 18, with the amendments to the Mauritius Standards Bureau Act, will attend to the discrepancies I have just deplored at the level of norms and standards.

I wish, Madam Speaker, to bring out what I consider is an iconic feature of this new legislation – the e-licensing platform to be set up through inclusion with Clause 12, section 9(a), in the Investment Promotion Act to provide a single point of entry for applications for permits and licences.

Doing business data in the past year show that economies that implement online procedures see a significant reduction in the time taken to start a business. In 2015-16, 20% of economies reforming companies startup processes either introduced or improved online portals.

The e-licensing platform, by bringing a major reform in dealing with the application, processing and determination of a permit, is synonymous of a fundamental rethinking of the prevailing business environment in Mauritius to align it with the standard of modern economies. On top of being a transactional platform, it will serve as a definitive repository of information on licensing requirements and delineate legally required licences in all sectors of the economy, thus increasing transparency and ease of access to licensing information. The likelihood of compliance by businesses is also enhanced through a better understanding of relevant requirements and improved accountability.

Benefits are to be reaped by all parties should all ingredients be combined and all conditions be met for its effective functioning. On the one hand, the E-licensing system should coordinate the workflow of multiple officials in different Government agencies, improving productivity. Moreover, unlike cumbersome paper documents, approved users will have the possibility of retrieving real-time electronic data in authorised locations, thus allowing for live status reporting and improved ways to analyse information.

Madam Speaker, Mauritius losing 17 places in terms of Ease of Doing Business is not a foregone conclusion. We must draw on the fact that our tiny island has had a credible journey during the last 50 years and has always shown a lot of resilience. We have successfully embraced the transition from the Sugar Industry to the manufacturing, tourism,

ICT and financial services sectors. This is a clear indication of our country's potential in terms of diversification, but we live in a globalised world in which keeping pace with comparable economies is a *sine qua non* condition for performance and survival. It is, indeed, by adopting such an attitude that a country like Iceland, which was on the verge of bankruptcy following the 2008-2009 financial crisis, today holds the 20<sup>th</sup> place in the Doing Business Index.

The comprehensive nature of the Business Facilitation Bill demonstrates a more ambitious attitude, whereby we realise that we should instead compare ourselves with top performing countries and then devise strategies and actions to match them. A good ranking in a global index is not an end in itself and reform should be a continuous exercise, for instance, although the top 20 economies in the Doing Business Index already have simple, effective and accessible business regulations, they continued to implement reforms this year with a total of 20 reforms implemented among them. Hong Kong, for example, made starting a business less costly by reducing the business registration fee while Sweden made it easier to transfer property and Norway made enforcing contracts easier by introducing an electronic filing system.

Madam Speaker, before I end I would like to say a few words on the cooperatives movement in Mauritius because none of the orators who have intervened before, and I wonder if any orator is going to mention about cooperatives. The House will recall that in November last, the New Cooperative Act 2015 was passed in this House and it has been promulgated on 01 May, that is, this month, and in this Act we have made some important provisions for the new cooperative legislation to facilitate Ease of Doing Business by cooperatives. We have made joint ventures between cooperative societies possible so that they can tackle bigger contracts: the reduction in the number of days for an application allowing a new society to be registered within 3 days as opposed to 14 days; online application of registration of cooperatives; online submission of annual returns and financial statements; online payment of fees and the keeping of books and records electronically is now possible, Madam Speaker.

With these words, I will end. Thank you very much.

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

(8.03 p.m.)

**Dr. Z. Joomaye (Second Member for Rivière des Anguilles & Souillac):** Thank you, Madam Speaker, for giving me the opportunity to debate on the Business Facilitation Bill. The whole objective of bringing the amendment of some 26 Acts is to, as the name of the Bill stipulates, facilitate business, that is, to enhance the Ease of Doing Business in Mauritius.

It is the role and the responsibility of any Government to provide efficient tools and implement policies to improve the business, investment and trade climate in the country. Simplification of procedures is a permanent battle and has to be a dynamic process. Business facilitation is a generic concept which concerns every aspect of doing business, be it trading, consultancy, service providing or manufacturing.

In bringing these amendments, this Government proves its commitment to help new businesses to start up as well as help existing entities to be run more smoothly. The spirit behind all these amendments is to simplify administrative procedures. Government is working towards eliminating unnecessary administrative hurdles in order to improve productivity of our business sector. The immediate expected effects would be, firstly, to incentivize new start-ups and, secondly, to encourage the expansion of existing companies. Several amendments are addressing issues which until now were causing undue delays in the administrative process. The Business Registration Act is being amended in order to empower the registrar to approve business names to be registered. His decision would be a final one and is meant to expedite business start-ups. Expediting does not imply that there would be compromise on checks and balances.

There have been cases in the past, Madam Speaker, where some people have tried to incorporate companies under names which could be subject to misinterpretation. This amendment takes into consideration copyright aspects as well as the protection of intellectual property. The choice of a name at the starting point of a business is very important, sometimes crucial. Empowering the Registrar will give him better amplitude to scrutinise and prevent abuse at this level. In section 10 (3) of the Business Registration Act, the words which would need a written consent from the Registrar, for example, 'authority', 'corporation', 'Government' are clearly indicated. This is good and very straightforward. But there are less clear-cut situations where some not that well intentioned minds would try to incorporate companies with names that can mislead the public in general. There has been a case in France, Madam Speaker, where someone incorporated a private company under the

name of '*Le Trésor Public*' and opened a bank account on the same name. Its only business was to bank cheques designated to pay taxes to the National Treasury of France. After a few years' operation and a few millions of French francs embezzled, the director of the company was finally caught and convicted. Imagine same happening in Mauritius with someone incorporating MRA Ltd. or Accountant General Limited. That is why it is the Registrar who needs to approve the registration of all names of companies.

Regarding the amendments of the Companies Act in section 24 in line with the e-Government policy, it is normal to believe that formalities that can be carried out online should be able to be sanctioned by valid document delivered electronically. This measure, to render the electronic certificate without a signature as valid as a signed copy, will undoubtedly be well appreciated by the concerned parties. In the same line of thinking, in section 121 (1) (a) the obligation to use the seal of a company will no longer be required.

I would agree with hon. Uteem that in some jurisdictions where a seal is required, the issue needs to be addressed. Everyone will agree that the obligation to the use of seals can be an additional hassle to business.

In regard to the Insolvency Act, the purpose of the amendments of section 67 is to keep a timely updated record in the Register of the Insolvency Service. It can be very prejudicial, Madam, for a company which is no longer insolvent to remain on a Register of the Insolvency Service for any additional period.

The amendment of section 102 will enable now the Insolvency Service to obtain information on the circumstances which have led to the sinister situation.

A responsible Government should be kept informed about mechanisms which can lead to insolvency, especially in case of repetitive situations hitting different companies. It is only then that the financial regulatory authorities can take necessary precautionary or corrective measures to prevent companies to become insolvent. It is for these reasons, Madam, that I fully support this Bill.

Before ending, I would like to congratulate the hon. Prime Minister for bringing this Bill to the House.

Thank you, Madam.

**Madam Speaker:** I suspend the sitting for one hour.



*At 8.10 p.m., the sitting was suspended.*

*On resuming at 9.37 p.m. with Madam Speaker in the Chair.*

**Madam Speaker:** Please be seated! Hon. Seeruttun!

**The Minister of Agro-Industry and Food Security (Mr M. Seeruttun):** Madam Speaker, allow me, at the very outset, to express my deepest appreciation to the hon. Prime Minister for having brought to this august Assembly the Business Facilitation (Miscellaneous Provisions) Bill.

I would have expected that this Bill will meet with the consensus of each and every Member of this House, no matter on which side he or she may be, because having a sound business and environment climate is fundamental to the economic development and prosperity of our country. Madam Speaker, unfortunately, some Members, on the other side of the House, chose to criticise just for the sake of criticising.

This Bill, Madam Speaker, aims at amending no less than 26 existing legislations concerning permits, licences, authorisations, clearance and related issues. The objective is straight, but of utmost importance. It seeks at further facilitating the conduct of business in Mauritius while, at the same time, maintaining the required due diligence and control.

I will not go into clichés and *du déjà-vu* or *du déjà-dit*, but it is my duty to emphasise that no one owes us a living. We have been amongst the most active economies in terms of Ease of Doing Business for quite some time now and we have since, over decades, been playing *dans la cour des grands*. It is a fact, Madam Speaker, that we are now facing fiercer competition from other countries which have set out their priority, the improvement of their business environment, with the objective of boosting investment. Last year, eight out of every ten reforms recorded by the World Bank were from Africa.

Emerging economies, namely Eastern European countries, are adopting best practices and positioning themselves as competitive investment destinations.

Madam Speaker, as I said earlier on, the competition is becoming fiercer year in year out. We, therefore, need to improve on our competitive advantage.

Investors and businessmen look at the business environment and the level of security of investment before coming to Mauritius.

True it is our ranking slipped in the last World Bank Doing Business exercise due to the reported changes in methodology and due to some misreporting as well. Earlier on, when the Leader of the Opposition was intervening, he did not state that one of the reasons why there was a slip in the ranking was because the methodology used was different from the one used in the year 2012-2013. And he is also aware that there has been some misreporting and the officers of the World Bank who were here to undertake the exercise did not meet all the relevant people to get accurate information. But that should not be a reason or an excuse to say that we should not improve.

It has also been said that some countries have also been performing better as well, because no one at this point in time would like to sit back and say that we have done whatever we had to do and we can relax and do nothing. So, everyone is competing and they keep on improving. It is, therefore, imperative that some bold and decisive steps are taken, not only to improve our ranking, but also to improve our competitive edge and respond to the needs of the business community.

I am made to understand that the measures proposed in the Bill have been worked out in close collaboration with the private sector.

This Bill, Madam Speaker, does not only address weaknesses highlighted in the Doing Business Report, but goes much beyond to consider real issues faced by our investors in Mauritius.

Madam Speaker, in his Budget Speech for 2016/2017, well prior to the publication of the Doing Business Report 2017, the hon. Minister of Finance and Economic Development included “Fundamentally Reforming Business Facilitation and Expanding our Economic Horizons” as one of his ten key strategies for the country.

He had already set the pace and elaborated on the focus of freeing our economy from, I quote –

“(...) the stifling bureaucracy and get it out of the constraining mould of laws, regulations and administrative procedures that have not been able to adapt to the new exigencies.”

Madam Speaker, following the last Budget, I was assigned the task of chairing the Task Force on Economy to look into the effective implementation of the various measures related to economic development, including business facilitation.

The structures put in place to follow implementation of the Budget measures have, no doubt, been extremely effective.

Most of the measures announced in the Budget, including business facilitation measures, have been implemented.

We are already seeing the results. The growth rate of 2017 is expected to be in the region of 3.7%, meeting very clearly our forecasts.

MCB Focus, Madam Speaker, has announced an even more optimistic growth rate of 4%.

Unemployment rate is dropping and has been brought down to 7.3%, against 7.8% in 2014.

The construction sector, after more than five years of contraction, is forecasted to grow positively by 7% this year.

The tourism industry is expected to grow by around 4.7%, based on a forecast of around 1,340,000 tourist arrivals in 2017.

The Information and Communication (ICT) sector is expected to grow by 6%, indicating that we are in the right direction towards the digital economy transformation.

The measures contained in the Business Facilitation (Miscellaneous Provisions) Bill 2017 form part of yet another crucial initiative to boost our economy.

By enhancing our business environment and eradicating red tapes, our economy can only benefit.

Madam Speaker, let me now come to some of the measures that are being proposed through this Bill.

First and foremost, facilitating cross border trade is fundamental to reinforce the position of Mauritius as a competitive trade and logistics hub.

Government has paid special attention to the qualms of the private sector concerning constraints in the logistics value chain, particularly those relating to procedures for obtaining import permits and, in some cases, duplications in terms of authorisations required by more than one agency.

These constraints, Madam Speaker, are being eliminated through the Business Facilitation Bill, which is also supported by several simultaneous amendments to certain regulations, such as -

- (1) Regulations made under the Consumer Protection (Price and Supplies Control) Act, both for control of imports and exports;
- (2) Regulations made under the Food Act, and
- (3) Regulations made under the Animal Diseases Act.

Some of these measures, Madam Speaker, include -

- (I) abolishing the requirements for import permits for certain items;
- (II) eliminating the need for “Delivery Allowed” by the Ministry of Industry, Commerce and Consumer Protection (MICCP) once an import permit has been issued. MRA Customs will allow delivery of items accompanied with an import permit issued by the Ministry of Industry, Commerce and Consumer Protection;
- (III) amendments to the Mauritius Standard Bureau Act and the Consumer Protection (Control of Imports) Regulations, thereby all items requiring a clearance from MSB will be considered directly and only by MSB. Therefore, no application for an import permit will be required from the Ministry of Industry, Commerce and Consumer Protection for these items;
- (IV) amendments to the Consumer Protection (Export Control) Regulations to eliminate the need for an export permit for various items, and also
- (V) amendments to the Food Import Regulations to reduce the number of classes of items requiring a pre-market approval from 35 to only 7.

Madam Speaker, what is of direct concern to my Ministry is the amendments to the Plant Protection Act and regulations under the Animal Diseases Act.

The application fee for a plant import permit is being eliminated and a time frame of five working days for the issue of plant import permits is being established.

Mandatory inspections on all plants and related products are being eliminated.

The National Plant Protection Office (NPPO) is being empowered to conduct risk-based inspections.

With a view to eliminating certain permits already covered under the Food Import Regulations, the regulations under the Animal Diseases Act are being amended. These amendments will contribute in eliminating duplication of procedures.

At the level of my Ministry, Madam Speaker, I am also empowering the NPPO and the Division of Veterinary Services (DVS) to directly issue import permits, in lieu of seeking approval from the Permanent Secretary.

Madam Speaker, all these measures are being taken after carefully assessing current practices and the likely impacts of the amendments. They can only benefit our business community and facilitate trade.

Madam Speaker, I will now move on to a very important component of this Bill, which is to expedite starting a Business in Mauritius. The World Bank, in its last Doing Business Report, ranked Mauritius 48<sup>th</sup> out of 190 countries in terms of ease of Starting a Business. The report also highlighted that it takes 6 days to start a business in Mauritius, whilst it takes half a day in New Zealand. It is common knowledge that many a time, entrepreneurs and businesses were alike complaining about the numerous processes involved in starting a business.

I would like to inform the House that, in his Budget Speech for the fiscal year 2016/2017, the hon. Minister of Finance and Economic Development announced the suspension of trade fees of Rs5,000 and below for a period of three years. This measure has already been implemented and is effective since January this year. The measure benefits some 75,000 existing businesses, in addition to new businesses.

Madam Speaker, in this Bill, provisions are being made to amend existing legislations such as the Local Government Act, the Business Registration Act, and the Companies Act, amongst others, to expedite the process of starting a business within less than one working day. The Companies Act is also being amended to cater for the electronic issue of Certificate of Incorporation and removal of the obligation to use the seal of a company. Henceforth, a company will no more be required to have a seal. This is in line with the objective set by Government to transition to a digital economy.

Madam Speaker, in addition to legal amendments, I would also like to inform Members of the House that the process of registering a business at the Central Business Registration Database (CBRD) has been improved such that a business can be registered and a company incorporated within less than two hours.

I would also wish to inform the House that the need for an employer to register with the Ministry of Social Security was eliminated during the year. The Social Security Office is automatically informed upon registration of a business at the CBRD. All these measures are being taken to achieve the objective of starting a business, not requiring a Building and Land Use Permit or a Regulatory Licence, within one day.

When assessing the competitiveness of an investment destination, investors, especially foreign ones, also consider their exit strategies, that is, the ease with which they can divest from a business. This process has often been considered lengthy in Mauritius.

Naturally, any Government would wish to secure captive investments for the longest possible period, but this reality cannot be ignored. To this end, the Companies Act is being amended to reduce the time frame for a person to file proof of the ground of objection with the Registrar with regard to the removal of a company from the Register, from 6 to 2 weeks.

Madam Speaker, the Insolvency Act is also being amended to streamline and clarify issues relating to insolvency procedures.

Next, Madam Speaker, is the streamlining of the process to register a property in Mauritius. Mauritius already has an online registration platform, the Mauritius e-Registry Platform, commonly called MeRP. However, presently, notaries and professionals are required to call at the Registrar General's Department to conduct searches, prior to drawing of title deeds and other registration documents.

The review of the process to Register Property is yet another important measure that is being taken and in respect of which provisions are being made in this Bill to facilitate this process. Facilities are being provided through the Mauritius e-Registry Platform to allow Professionals in the sector to carry out online search from within their office premises.

Time limits are being reduced substantially for submission of certified copy of deed 'expedition' with consequential amendment to the Notaries Act. Henceforth, a notary will be required to deliver a certified copy or authenticated copy of the deed within 8 days from the date of registration of the deed with the Registrar General.

In line with the strategy of the Government to transit from a Freeport to a Free zone concept, land transfer tax and registration duty are being exempted on the transfer of land to construct warehouses and on the transfer of warehouses for business purposes.

Amidst all these reforms, the public is not being kept at bay, Madam Speaker. As we all know, every Mauritian likes to obtain the necessary assurance prior to engaging in property transactions. For some acquiring a property may be a lifetime investment.

To increase transparency, the Bill makes provision for a breakthrough initiative. The public will also have access to a summary of the deed, as prepared by the Notaries, for which legislations are being amended.

In the same vein, Madam Speaker, the Registrar General's Department has implemented an online complaint mechanism and has also published service standards in the business of registering property for more clarity and certainty.

Madam Speaker, in his Budget Speech for 2016/2017, the Minister of Finance and Economic Development announced the implementation of an e-licensing platform to provide a single point of entry for applications for permits and licences. This platform falls under the "Improving the Business and Investment Climate Project" being financed to the tune of seven (7) million Euros through a grant from the European Union, for which the funding agreement was successfully signed this year.

Through the Bill, the Investment Promotion Act is being amended to cater for the setting up of the e-Licensing Platform. It will not be out of place here to dwell on the importance of this Project aimed at completely reviewing the prevailing business environment. This project is divided into three components –

- (i) the project includes the setting up of a centralised Electronic Registry of licences and an e-licensing platform. While the e-Registry will hold and provide critical data on licensing requirements, the e-Licensing Platform will be a single point of entry for any business permits and licences;
- (ii) conducting of an assessment of existing impediments and outdated licences in our regulatory framework; this should result in a new system that eliminates duplication of licences, removes administrative hassles, and significantly reduces paperwork, and

- (iii) the project includes a training and sensitisation component that is aimed at ensuring that the new system is optimally used by relevant public agencies and the business community.

I am personally following up on the implementation of this project as Chairperson of the Task force on Economy and I am pleased to say that this project is on good track, Madam Speaker. The tender for selecting a supplier to develop the e-licensing platform has already been launched and it is expected that the first phase of licences will be automated on the e-licensing platform by May 2018. My Ministry, together with others, will form part of the first phase and I am convinced that this project will be a major game changer.

Madam Speaker, the Bill also provides for measures to consolidate the processes to obtain a construction permit in Mauritius. As I mentioned earlier, the construction sector is set to register a growth rate of approximately 7% this year after seven years of contraction and negative growth. It is more than important to further streamline the procedures for obtaining construction permits to unleash development projects.

In the last Budget, legislations were amended to provide for that. On application of a Building and Land Use Permit, the Local Authority will seek relevant clearances from the CEB, CWA, WMA, Fire Services and others instead of the applicants shopping for clearances from individual agencies. The silent agreement principle was also included. Measures are being taken to reinforce these provisions, Madam Speaker.

Amendments are also being brought to the Environment Protection Act for submission of an outline by a developer for a proposed undertaking from 3 to 1 month, and introduction of a time frame of two weeks for the Director of Environment to impose, based on the outline submitted, the terms of reference for the EIA report, the fields of study that are required to be covered, and the levels of expertise and the qualifications of the consultants signing the report. These measures will help in the eventual assessment of EIA reports and expedite the determination process. Similarly, Madam Speaker, the time frame for the determination of an application for a *Morcellement* Permit for projects holding an EIA License is being reduced to three weeks only.

Madam Speaker, another key component when assessing the competitiveness of an investment destination is the ease of paying taxes and levies. To this end, the Income Tax Act, the National Pension Act, the National Savings Fund Act, and other legislations are being amended to provide for the MRA to act as a collecting agent for contributions. These



amendments will provide for a single point of payment for taxes and contributions by businesses.

I must also highlight that the MRA has set up an Automatic VAT Refund Mechanism for expeditious processing and refunds of VAT claims. Also, a system of electronic submission of amended corporate tax returns has already been put in place by the MRA.

Madam Speaker, please allow me once again to reinforce the fact that all amendments set out in this Bill and supporting regulations are crucial for the economic development of our country and, at the same time, improving the business environment is not a one-time exercise. Mauritius must continuously aim for excellence.

As I demonstrated during my intervention, Madam Speaker, the drive to improve the business environment has been ever existent. The measures in the last Budget are testimony to the commitment of Government to enhance the investment climate in Mauritius. This Business Facilitation Bill and the measures contained therein are yet evidence of this continuous engagement.

The global economy is more than ever dynamic. As it evolves, we are called upon to sharpen our edge to meet the aspirations of our business partners and investors. Doing business is and shall continue to be an on-going process.

I am confident, Madam Speaker, that all Members of this House will concur with me and unanimously support the Bill in the interest of our business community.

With these words, I thank you for your attention, Madam Speaker.

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

(10.04 p.m.)

**Dr. R. Sorefan (Fourth Member for Vacoas & Phoenix):** Thank you, Madam Speaker, for allowing me to contribute to this debate. Madam Speaker, about two months ago, I met a businessman from England who is a close friend of mine and the first thing he said to me: 'Raffick, try to ease business for your local entrepreneurs; foreign businessmen will queue up to do business in Mauritius.' He was quite right and I would like to thank the hon. Prime Minister and Minister of Finance to come with this Bill and I heartedly congratulate him.

*(Interruptions)*

**Madam Speaker:** Hon. Bhagwan, please, not at this late hour; if you have to go out, please do so!

*(Interruptions)*

Hon. Bhagwan, if you want to go out, please do so!

*(Interruptions)*

Hon. Bhagwan, please do so!

**Dr. Sorefan:** In the recent past - last year - mention was made that this Bill will be introduced in this House around March 2017 and here we are, Madam Speaker, the Bill is being debated today.

Madam Speaker, this Bill will undoubtedly improve the business climate in Mauritius. These amendment clauses of various enactments will improve administrative procedures and red tape so as to facilitate doing business in Mauritius.

In the latest survey by the World Bank ease to do business, Mauritius has lost 17 places. Why have we lost 17 places, Madam Speaker? In 2015, we were ranked 32 out of 189 economies. In 2016, we were ranked 49, that is, instead of improving our rank, we see ourselves lagging behind.

Madam Speaker, the poor performance of Mauritius is due to direct sequelae of the lengthy administrative procedures of the past. That has never been revisited until today. Madam Speaker, in 2006, the Business Facilitation Act came into force so as to minimise all the difficult procedures. After 11 years, here we are with more steps to facilitate the ease of doing business in Mauritius. In the last Budget, online services have been promoted; for example, most of the MRA's services are online including the filing of tax return. We see also people bidding online for purchase of seized goods. Madam Speaker, another institution that is online for filing annual returns, among others, is the Companies Division.

Madam Speaker, observations from some quarters suggest that linking both the MRA and the Companies Division will allow any company to make only one combined return for both institutions. Here, Madam Speaker, I must stress that many public institutions copy and paste the paper system online. An online service must be made simple, efficient and cost-effective, not to burden any applicant with scanning and uploading lots of documents.

Madam Speaker, in the last Budget, it was mentioned that as from 01 January 2017, all trade licences of Rs500,000 or less will be exempted from payment as opposed to the long queues to pay for trade licences to the local authorities. I understand also in the Budget 2016-2017, those who need to pay their trade licences, that is, above Rs500,000 can opt to pay for three consecutive years in one go. These abovementioned measures, Madam Speaker, have been most welcomed by traders and entrepreneurs. These types of measures really help in the ease of doing business in Mauritius.

Madam Speaker, in this Bill we are amending 26 enactments. Some of which refer to replacing the 'Minister' by the 'Registrar'. This is a good initiative to speed up matters. Time frame has been mentioned to implement those amendments which are most welcoming. Madam Speaker, clause 23 refers to Plant Protection Act. I am not refuting the hon. Minister of Agro-Industry and Food Security. It is just my personal observation and I am not against. Madam Speaker, I am very surprised to read section (c) which reads as follows –

“In section 20 by removing the provision of a mandatory inspection on all plants, plants products and regulated articles that are being imported.”

Madam Speaker, I find this piece of amendment very dangerous to our flora and fauna. Many of the 189 economies considered by the World Bank as references protect their flora and fauna. Here, we can't relax on our law. Instead, we must come with amendments to protect Mauritius of its flora and fauna. Mauritius is an agricultural island. It is a must to protect our plant. We cannot amend as it is proposed so as to facilitate business in this sector. A mere *laissez-aller* by officers may create havoc. We must not forget, Madam Speaker, the foot and mouth disease we experienced last year.

Madam Speaker, the best performers are not those with few regulations, but those with good rules that allow efficient and transparent functioning of businesses while protecting the public interest.

Madam Speaker, we must be optimist and impatient to keep launching new ideas and keep striving for better results. The progress, today, should give us optimism. The large amount that remains to be done should make us impatient. Madam Speaker, I am very impatient as regards women in business. Around half of the world's population is female and, therefore, it is important that doing business by women, we must measure aspects of regulations that specifically impact on the women group. We must come with amendments so

that female entrepreneurs do not face more obstacles than male counterparts. These obstacles are, Madam Speaker, women must submit additional paperwork or authorisation than their husbands. Concerning gender discrimination, registering property rights, succession rights...

**Madam Speaker:** Hon. Dr. Sorefan, I think you are going out of context of the Bill. I don't think this is appropriate. You are going out of context of the Bill. So, I would request you to come back to the contents of the Bill.

**Dr. Sorefan:** Madam Speaker, if you allow me, I am just suggesting that we must improve the ease of doing business and women are suffering. That is my idea behind this Bill.

*(Interruptions)*

Women entrepreneur!

*(Interruptions)*

That is what I am trying to say!

*(Interruptions)*

Madam Speaker, access to credit and loans are also very difficult for women entrepreneur. Madam Speaker, few of our SMEs entrepreneurs are women. To help women entrepreneurs to do business, it is mandatory to ease the relevant laws. Madam Speaker, having simple, transparent rules for registering a business, paying taxes, getting credit and registering property helps to create a level playing field for doing business.

Madam Speaker, the next issue is electricity which forms part of the 11 areas that is considered by the World Bank to classify economies in the ranking 'Ease to do Business'. Madam Speaker, getting electricity in Mauritius by an entrepreneur or a company, according to the World Bank report, requires four procedures, takes about 81 days and costs 260% of the income per capita. The first procedure is to submit applications with all documents to CEB, await estimates, receive external, visual, internal inspection by CEB, how electrical contractors carry out civil works for transformers and lastly, receive external inspection, external connection and meter installation by CEB. Madam Speaker, the time frame for the above procedure must be reduced and the cost to get electricity to the place of business must be revisited to a lower cost.

Another issue, Madam Speaker, is getting credit to ease doing business in Mauritius. We stand at 42<sup>nd</sup> in the ranking of the 189 economies on the ease of getting credit. Our laws

have gone a long way to improve getting credit, Madam Speaker. We may have excellent laws, but if the one providing credit is performing badly, its profit going down, of course, this institution will be very reluctant to advance a loan at a preferential rate to promote doing business.

Madam Speaker, we have the State Bank and the MauBank and recently I learned that their profit is going down. If profit goes down because of the wrong way they are running the bank, this will not allow the Government to promote ease of doing business financially to entrepreneurs.

Madam Speaker, to conclude, these amendments to 26 enactments will help to alleviate the procedures for ease of doing business. We need to go much further as I mentioned above, that is, getting electricity, gender issues, getting credit, etc.

Madam Speaker, we must assess the negative impact of excessive regulation and red tapes. More regulations are not the answer rather the more effective answer for doing business is smarter regulations that aim to strike a balance between the needs to facilitate their activities.

Madam Speaker, the opportunity to develop one's business idea or to find a job is crucial for most people's personal satisfaction. It creates a sense of belonging and purpose and can provide an income that deliver financial stability. It can raise people out of poverty or prevent them from falling into it and the most important is if you facilitate doing business, it will definitely increase our GDP.

Madam Speaker, all that I have mentioned above is to contribute so that our global ranking by the World Bank will be in the top 15 economies. We can, Madam Speaker! Macedonia was ranked 94<sup>th</sup>, ten years ago last year it was ranked 10<sup>th</sup>. Madam Speaker, we can! Yes, we can and we will!

I thank you again, Madam Speaker, for allowing me to contribute.

**Madam Speaker:** Hon. Rampertab!

(10.20 p.m.)

**Mr R. Rampertab (Second Member for Flacq & Bon Accueil):** Madam Speaker, thank you for allowing me the floor tonight to address my views in relation to the Business Facilitation (Miscellaneous Provisions) Bill.

I would like to emphasise on the importance for the enactment of such a piece of legislation, Madam Speaker, that is, to provide the amendments to the legislative frameworks that are necessary for the removal of constraints in relation to permits, licences, authorisations and clearances to further facilitate the Doing of Business, and for related matters. Here, Madam Speaker, I would like to thank the hon. Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development, hon. Pravind Kumar Jugnauth, for coming up with this Bill.

Madam Speaker, I would like to share some of my views on this great piece of legislation and it is all about a sincere and faithful essence to boost our economic landscape to enhance the lives of our people, and more importantly, to focus on our shared vision to build a greater Mauritius. This piece of legislation, Madam Speaker, is all about achieving the Government's objective, of achieving a sound predictable regulatory environment in order to create a thriving business environment, more specifically, effective business regulation which can encourage business start-up and growth as well as minimise the chance for market distortions or failures. Of course, a discussion of the benefits of business regulation must always be accompanied by a parallel discussion of its cost.

Many businesses complain about the negative impacts of excessive regulation or as it is more commonly known, red tape. The answer is not always more regulation, but rather the more effective answer is advocated by the World Bank. Doing Business Report is smarter regulation that aims to strike a balance between the need to facilitate the activities of the private sector while providing adequate safeguards for the interest of consumers and other social groups. The Foundation of Ease of Doing Business is the notion of economic activity, particularly the private sector development.

Madam Speaker, we must have rules that set out and clarify property rights and facilitate the resolutions of disputes and rules that enhance the predictability of economic interactions and provide contractual partners with essential protection against arbitrariness and abuse. Such rules are much more effective in shaping the incentive of economic agents in ways that promote growth and development where they are reasonably efficient in design, are transparent and accessible to those for whom they are intended and can be implemented at a reasonable cost. The quality of the rules also has a crucial bearing on how societies distribute the benefits and finance the cost of development strategies and policies.

Good rules are key to social inclusion, enabling growth and ensuring that all people, regardless of income level, can participate in its benefits and which requires an environment where new entrants with drive and good ideas can get started in business and where good firms can invest and expand. The role of Government policy in the daily operation of domestic, small and medium-sized firms should be our central focus here, Madam Speaker.

The objective is to encourage regulation that is designed to be efficient, accessible to all and simple to implement. Onerous regulation diverts the energies of entrepreneurs away from developing their businesses, but regulation that is efficient, transparent and implemented in the simple way facilitates business expansion and innovation and makes it easier for our aspiring entrepreneurs to compete on an equal footing.

Madam Speaker, I would like to point out that the World Bank, in its Doing Business Report, measures aspects of regulation affecting 11 areas of the life of a business. 10 of these areas are included in its 2017 ranking on the Ease of Doing Business, that is, starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. Doing business also measures features of labour market regulation which is not included in the ranking. New Zealand is the economy with the highest ranking in the year 2007 Report. Taking over from Singapore, for our information, Mauritius is ranked 48<sup>th</sup> as one of our previous orators mentioned.

Madam Speaker, today, more economies globally are taking up challenges for reform to Ease of Doing Business. In 2015-2016, it is good to know that 137 economies worldwide implemented 283 Business Regulatory Reforms. The opportunity to find a job or develop one's business idea is crucial for most people's personal satisfaction. It creates a sense of belonging and purpose that can provide an income that delivers financial stability. It can raise people out of poverty and prevent them from falling into it. But, what does one need to find a job or to start a business, especially if that job or business is in the private sector? Many things are needed, Madam Speaker, but well-functioning markets that are properly regulated so that distortions are minimised, are very crucial.

Government plays a pivotal role in establishing these well-functioning markets through regulation. If the Land Registry is not required to provide reliable information on who owns what, for example, the efficacy of the property market is undermined making it difficult for entrepreneurs to acquire property and put their ideas to practice and create new

jobs. Without well-regulated credit information sharing systems, it is difficult for credit markets to thrive and be more inclusive. A properly functioning tax system is also very important where the burden of tax administration is heavy making it difficult to comply with tax obligation, whereby firms will have an incentive to avoid paying all tax due or may opt for informality thereby eroding the tax bases.

To start a business, entrepreneurs need a business registration system that is efficient and accessible to all. On the other hand, failure is part of taking risk and innovating. For people to be willing to start a new business, there needs to be a well-developed system in place and foreclosing business that do not succeed. This new Bill aims to achieve just this, Madam Speaker.

To conclude, Madam Speaker, I would like to say that this Bill should be highly appraised by all Members of this Assembly. It is a demonstration of the good intention of this Government to improve significantly the existing business regulatory framework of Mauritius so as to establish a well-functioning market for a thriving business environment.

Thank you, Madam Speaker.

*(Interruptions)*

**Madam Speaker:** Hon. Fowdar!

(10.28 p.m.)

**Mr S. Fowdar (Third Member for Grand’Baie & Poudre d’Or):** Thank you, Madam Speaker. Madam Speaker, I am really embarrassed, all my ideas have already been spelt out by the hon. Members, as usual. But I am very comforted by the fact that there is consensus on both sides of the House about what we need to do to improve business facilitation in Mauritius. I think the hon. Leader of the Opposition, hon. Anil Gayan, hon. Reza Uteem and most of them have all been talking in the same line, that is, they want to improve business facilitation in Mauritius.

This is why, Madam Speaker, it is very good that the hon. Prime Minister is bringing this Bill into the House today to improve the facilities given to businessmen to do business in Mauritius. Why? There is a problem. In fact, there is a problem. We know that businessmen, local and foreigners, do complain. What are they complaining about? It is that the processes take too long; they are tedious, they are cumbersome and take much time. This is why the



Government has brought this Bill today and this is why I think the Government needs to do something, and it is *un pas en avant*. The change in the law is *un pas en avant*.

I think, Madam Speaker, whatever the other things the Government does, this is the single most important task the Government needs to do in order to create wealth in this country, in order to increase the GDP and in order to create jobs. I think this is extremely important. Nothing is going to move if we do not move the businessmen to do business, if we do not incite them to do business. We must bear in mind one thing, Madam Speaker. The role of Government is to provide facilities for businessmen. It is not to control businesses, it is not to manage businesses, but it is to facilitate doing business. I mean, provide the ease of doing business. I think for too long and despite several attempts by several Governments - it is not only this Government, Madam Speaker, but several Governments have been struggling to make things happen on this side, that is, to encourage businessmen to come to Mauritius.

Madam Speaker, I think I heard the hon. Prime Minister saying that this piece of legislation has been prepared in consultation with the businessmen, the stakeholders, and I hope that it includes businessmen. Starters - I think he said starters -, existing businessmen, but also so many businessmen who are about to exit, who are about to close down. We probably need to listen to them and see what can be done to keep them in.

According to the famous World Bank Report, we were 20<sup>th</sup> and now we have been downgraded to 49<sup>th</sup>. It is not the end of the world. We can improve. But we need to be conscious that there is a problem and we have been downgraded. Why have we been downgraded? There can be only two reasons, Madam Speaker. First, maybe, we have created more bottlenecks, we have made life more difficult for businessmen in Mauritius or it could be the other countries have improved better than us. They have put in place better structures; better procedures and they have made their countries more attractive than Mauritius. First, we need to analyse where the problem is and where we need to improve.

I am not going to dwell on all the other aspects that have already been discussed by my fellow Members of this House, but I want to concentrate on one thing which I think is really important. It is what we need to do in the future in order to make doing business in Mauritius attractive.

Madam Speaker, who makes things difficult and who makes things easy? It is all human beings. It is us, the people. If we want to make things difficult, we do it and we make

it difficult. If we want to make it easy, we make it easy. So, it is all about what we want to do and what we put as laws and what we put as procedures. I think human intervention should be kept to a minimum, and this is where we are going to succeed. If we leave it to the people, then *les caprices* and a lot of issues will make things difficult.

Now, we have noted these days - this is true, and I think all the Ministers are aware about this - that there is a lot of hesitation on behalf of the majority of the civil servants, particularly the senior civil servants. When it comes to them for approval, when it comes to them for signatures, they hesitate. Maybe, they are right. They are scared, Madam Speaker. They are working under fear. They do everything according to law, and where it is for them to decide, that is, where it is subjective, they hesitate. Why do they hesitate, Madam Speaker? I can understand their position. What have we seen recently? So many civil servants going to the Police station, Police Headquarters, suspensions, being under stress, they have been part of the decision-making process and suddenly they find themselves in difficulties, Madam Speaker. And we know some of them were even subject to heart attacks!

The other issue also is that if we leave too much in the hands of the people for decision-making, it makes them vulnerable. They become too important in the process, and they attract kickbacks and they attract bribes to expedite the process or to delay the process because they are the persons who decide. Therefore, the best thing to do in this situation is to minimise human intervention and to increase automation, Madam Speaker. This is the approach adopted by most developed countries.

Madam Speaker, a very good example was taken by the hon. Leader of the Opposition this morning about the pizza. I am going to take one more example to illustrate how faster it is when it comes to automation rather than human intervention. Madam Speaker, in the UK, somebody applies for a credit card. The application of the credit card is approved or rejected in two minutes. Only two minutes! And it is all automated. Within two minutes, the credit card issuer verifies the identity of the applicant, verifies his address, his employment, where he works, his monthly income, his other financial commitments, his monthly disposable income and his credit rating. In two minutes, Madam Speaker!

How they make it happen? Within the two minutes, the issuer decides on the spot and you have it online. The next day, you get a credit card by post and you can withdraw money, you can pay using your credit card. This is very sensible, giving money to people online.

There is no one-to-one interview with the client. There is no phone call. It is only automated. It is online; you apply online and you get approved or rejected.

What happens here? The automated system assesses the application and checks all information supplied by the applicant within the minutes.

This is only possible, Madam Speaker - and I have enquired - because the database of all the Bodies concerned such as the Electoral Commissioner's Office to check the address; the National Insurance, equivalent of the NPS in Mauritius, to check the employment, the salary and the income; the Credit Rating Agency, here the MCIB which discloses all the financial commitments of the applicants, thus stating also the disposable income of the applicant.

What happens is the harmonisation of the databases allows for the process to work without any human intervention and with clearly defined criteria, set by the issuer. Therefore, Madam Speaker, this is what we need to look for and I am happy that one of the paragraphs of the Bill speaks about e-Licensing and we need to see further than that. All the processes wherever we can, we have to automate to the maximum. All the developed countries are doing that. If we do that, then we can beat the battle of bribes and corruption, and also making decision faster with regard to business facilitation.

So, Madam Speaker, this is what I wanted to dwell on, we need to be less subjective. We need to set criteria, we need to set guidelines; everybody should know what are the conditions, what is required, what we need to provide before the application is approved.

Madam Speaker, I have also seen on the website, of course, in the UK, they have got a template. You just fill the template and the template immediately will tell you whether you have 80% or 90%, or it is approved or it is rejected. This is one more thing that we can put on our website to help the customers instead of coming to the office asking for information, what document they require; they can fill the template and they can also fill what is called personal assessment forms to see whether they qualify, whether they can receive their credit card or whether they can get their licence of permit. All can be done online, Madam Speaker.

Therefore, this is my point, Madam Speaker. I do not want to repeat what my friends have spelt out earlier, what I want is to draw the attention of the deciders that one of the things that we need to stress on is less human intervention, more automation, not to be subjective but to be guided by the regulations, by the conditions, the more we are regulated, it

is more cumbersome, it is more tedious, the less we are regulated, it makes things easier for businessmen.

I thank you, Madam Speaker.

**Madam Speaker:** Hon. Bhadain!

(10.41 p.m.)

**Mr S. Bhadain (Second Member for Belle Rose & Quatre Bornes):** Thank you, Madam Speaker. Madam Speaker, I have listened attentively to hon. Fowdar and to the very interesting proposals that he has made, but, unfortunately, none of those proposals are to be found in the Bill which is before the House today. In fact, they should have been.

Madam Speaker, I have listened to many orators and I have looked at the clauses of the proposed Bill also and I was asking myself, I mean, is this really a Bill which facilitates business in substance and actually we will get investors to come to Mauritius because we are offering something great, something new, something which is not available elsewhere in other countries? Or is it basically a piece of proposed legislation which is correcting a lot of sections in different legislations, 26 in total, which includes good initiatives also I must say. For instance, the e-Licensing system; creating the platform for a single point of entry, that's a good initiative; empowering the Director General of the MRA to be the collective agent in terms of revenue collection, that's also going to bring efficiency and also in terms of removal of use of company seal and so on and so forth. But then, it really dawned on me when I listened to hon. Gayan, and I quote what he stated –

“That the Bill is Government's answer to the drop in ranking.”

And he was talking about the ease of doing business ranking which was a shock. And he mentioned that there was a steering committee which had been set up for that purpose. So, it is one thing coming up with a piece of legislation which is geared towards improving the ranking of Mauritius by addressing certain anomalies which have been there and reported on one hand and, on the other hand, coming up with a piece of legislation which is really going to facilitate business in Mauritius, to boost FDI and, of course, to increase GDP in the country.

Now, I would have expected that there would have been a sectorial analysis. If you look at financial services, for instance, I mean, there are sections of the proposed Bill which

basically is not at all related to any type of investment related to financial services. For instance, hon. Seeruttun mentioned the Animal Diseases Act, the Plant Protection Act and so on and so forth. It is the same thing about ICT. I would have expected that when you are looking at facilitating business or ICT in Mauritius, it would have to be an in-depth study in terms of the processes involved and how these processes can be enhanced so that people would come and invest in the ICT sector in Mauritius, financial services and manufacturing. Of course, if you want to get people to come and invest in the manufacturing sector in Mauritius, then you need to have certain procedures which are facilitated by the enactment of certain legislations which would be geared towards boosting that particular sector.

Looking at the different clauses of the Bill before I come to other points, I looked at clause 2 of the Bill which basically takes away Ministerial power, control, and places it on the Registrar. Fair enough! That's a good initiative because now you don't have to go to the Minister to get approval, but, on the other hand, when I heard hon. Fowdar speak, I mean, you also have a lot of bureaucratic procedures and delays which arise at the level of civil servants also. And sometimes when you have hardworking Ministers, I mean, they make things go quicker as compared to Ministers who do not work.

If you were to look at clause 2, fair enough! When we look at words that can be suggested when you are going to incorporate a company, I know of a particular company, a large forensic accounting firm, which was going to invest in Mauritius but they were barred from using the word 'forensic'. Why? Because Government has got the Forensic Laboratory and they were told by the Registrar that they cannot use that word and they decided that this was in the name that they use globally, so, they would not come and invest in Mauritius because of that.

So, what I would have suggested to the hon. Prime Minister in this case, is that there must be at least an appellate process. Fair enough! We can change the word 'Minister' and give the power to the Registrar, but what if somebody is not satisfied with the outcome of what the Registrar has decided? If we go according to our laws, then we need to go through a judicial review process and you would go to Court to challenge the decision and decision-making process of the Registrar not to allow you to use a specific name which could involve the patronage of Government. But if you were to have an appeal process or, in specific circumstances, that particular conglomerate or multinational could then make an appeal to the Minister to say that we believe that in this particular case, we should be allowed this

particular word, then that, of course, would facilitate these companies coming and investing in Mauritius.

And, on the other hand, when you look at giving away ministerial control, whether it is the Minister himself or Cabinet deciding on a particular issue, to promote efficiency in terms of getting the institution to decide, it must be proportionate also. There must be that degree of proportionality because if you are giving away a lot of control to get a little bit of efficiency, then it is not proportionate. So, that's in terms of clause 2 which, I believe, there must be some kind of course of action that somebody can follow quickly if he is dissatisfied of the Registrar's decision not to use a word for instance.

Then, I will come very quickly to clause 4 of the Bill, Madam Speaker. When I look at clause 4, which relates to the Companies Act being amended, clause 4 (h) (ii) states –

“In paragraph 6, in subparagraph (2), by deleting the words ‘including the power and authority to affix the common seal of the company, where it has, one’”.

Now, amazingly, Madam Speaker, when I look at the existing legislation because the proposed Bill today is actually deleting those words, but these words do not exist in the legislation itself because when I read section 6(2), which is in the Fourteenth Schedule of the Companies Act, I am sure the officers from the State Law Office are going to have a look at that. So, section 6(2) states –

“(2) Subject to the constitution of a company or a unanimous shareholder agreement, each officer or agent shall, subject to subparagraph (3), have such powers and authority (...) to affix the common seal of the company, where it has one (...).”

So, the words which are being deleted by this clause 4 (h) (ii) are not to be found. I believe an amendment has to be made on this because it is going to create an anomaly which is not going to facilitate business, which is going to actually make it more confusing in terms of the law. I am sure the hon. Prime Minister is going to look into that and make the necessary amendment.

Again, Madam Speaker, I ask myself this question. I am still helping the Government, Madam Speaker, by showing to them that there are certain things that can be improved. Madam Speaker, what does an investor really look for when he comes to Mauritius? Basically, he wants to make sure that the money that he is investing is safeguarded. So, you

need to have this legislative framework which gives him that level of confidence that is going into a jurisdiction where he will not lose his investment, his money and then secondly, that he is going to generate profits out of his investment, and that the procedures are conducive to that so that, at the end of the day, his capital will grow. For that, we need to have procedures in place which are going to enable that particular investor to set up quickly. If he has to wait months to set up his business - time is money and he is losing money - he will not come in such an environment.

When I look at the existing Bill, except for some examples which have been given by the hon. Minister for Industry where he has actually explained how it will be quicker now to apply for a permit or a licence, and he has gone to the extent of listing the products which basically can be applied for very quickly. Apart from that, I haven't heard much in terms of the different sections of the proposed Bill which are going to create that dynamic, buoyant environment, getting investors to come and set up over here.

Again, if I were to go back to different sectors of the economy, when we look at financial services, Madam Speaker, we have to come out, at this stage, with all these initiatives to get these investors to come down to Mauritius now, because after the amendments of the Double Tax Treaty, the grant favouring time has gone. We have passed 01 April 2017 and we are now in that transition period between April 2017 and March 2019 where we have to set up the new vision for the financial services sector. If we miss this period, then it will be very difficult for our economy to go forward. We do have other challenges from a tax point of view. The European Union has actually imposed certain obligations on us that we have to harmonise our tax rate and if we are to change our domestic tax rate to get it to what the tax rate in the offshore sector is with the tax credit and all of that, then from 15% to 3% MRA is going to lose a lot of money. But, on the other hand, if we are to increase the rate in the offshore sector from 3% to 15% which prevails in Mauritius to harmonise the tax rate, then the offshore sector will disappear. I mean, we are facing that kind of challenge right now. If it comes to December 2017 and we are not ready with all of that, then we will have massive problems. It is now the time to work twice as hard to be able to bring all these investors down here and to make them understand that we have this conducive environment. In the Budget, there were a number of initiatives which had been put in place whether it is in terms of global law firms, in terms of investment banking, in terms of captive

insurance, in terms of fund management, in terms of global headquartering and so on and so forth. Tax incentives have also been given.

This Bill does not facilitate all of that. This Bill will probably get us one or two places in the ease of doing business ranking of the World Bank, which a lot of orators have been referring to today and reading out. When I look at the ease of doing business ranking also, we felt to the 49<sup>th</sup> place. Why? Well, firstly, because we scored poorly on three different categories –

- getting electricity - Mauritius was 110<sup>th</sup>;
- registering property - 98<sup>th</sup>, and
- trading across borders - 74<sup>th</sup>.

So, these are the three areas which have taken us to that 49<sup>th</sup> place.

Now, what do we have specifically provided for in this Bill, which is going to address those three issues so that we can actually move up from the 49<sup>th</sup> place? I cannot see it because we have superficial treatment being administered to problems which are more deep rooted. Like I have said for the financial services sector, the same thing prevails for the manufacturing sector. Statistics have been given by the hon. Leader of the Opposition and other orators in the House also. I mean, we are going down in terms of manufacturing. A figure of Rs500 m. was mentioned as being what has been the investment - I think it was hon. Uteem - as compared to Rs812 m. being outward investment in manufacturing where Mauritians are investigating outside and spending Rs812 m., but the money coming in in terms of inward investment is Rs500 m. So, we need to have specific provisions in the law in terms of facilitating that particular sector. Again, I cannot see anything in here which is going to do that and boost up our manufacturing sector to take it from 18% of GDP and push it up to above 20% of GDP. It is the same thing for the 12.2% GDP with regard to the financial services sector and all the doom and gloom which is glooming in the air. The ICT sector has not been growing in any way.

I very much believe that business facilitation to attract big investors to come and set up in this country will necessitate a different thinking process, a different legislation which will really get our country growing like Singapore, which has worked over there. There is nothing in here which is even comparable to what Singapore has put in place, and has achieved in terms of getting those multiple nationals down. I heard figures being mentioned



in terms of FDI. Of course, there was a remark made by hon. Uteem as to the FDI has, in effect, gone down by 25% compared to 2012. He mentioned the hon. Prime Minister mentioning on TV that, in fact, FDI has increased by 40% if you were to compare last year and this year. Fair enough! In those FDI figures, Madam Speaker, we are all talking about IRS and ERS, I mean, this for me, does not even qualify as an investment. Why? Because when you are buying property, whether you are buying houses, dwellings, this is not generating any profits; this is not making any multiplier effect in the economy. This is just getting somebody from abroad to take his money into Mauritius and to buy a piece of property in Mauritius. How can that be investment? How can that generate jobs? How can that create that multiplier effect in the economy which is going to get the economy up and running? This actually distorts the FDI figures.

On the other hand, there are other things which have happened in the financial services sector - very famously international financial services - where Mr Sithanen, Mr Basant Lallah and others have been working. They sold the firm to a British group for Rs4.5 billion. Is that Rs4.5 billion accounted for as FDI? The same thing for CIM Finance which has basically got overseas companies to come and invest in CIM Finance on the financial services side and they have sold part of it to them for Rs2.5 billion. If I add Rs4.5 billion with Rs2.5 billion, that is Rs7 billions of FDI in the financial services sector. Has that been accounted for? There is a problem with the way we are computing figures also, and what we are recognising and not recognising. If that is being done wrongly then we will not find the real solutions to the problem by coming up with those business facilitation procedures which have to be included in a piece of legislation which we really get our country up and going.

Now, Madam Speaker, I also look at different other clauses in the Bill, for instance the Insolvency Act. I mean, it is good because we are changing a system which was not correct to make it more just and fair. But again, are we going to tell investors to come and invest in Mauritius because we have a Business Facilitation Act which provides for an amendment to the insolvency law regarding sanctions which can be taken against a Receiver/Manager and all that?

The person is going to tell you: but what are you telling me? To come and invest! You are telling me that what you are doing to attract me to invest is making good insolvency laws. So, you want my company to go belly-up! You want Receiver/Managers to be appointed!

Why is this in this law? I don't understand. If it is to attract investors, why are we talking about insolvency where companies fail and Liquidators and Receiver/Managers?

The amendment is a good one, make no mistake about it. I am not saying it is a bad one. But what I am saying is: it is not in line with the spirit of a Business Facilitation Act because you are talking about companies going down. And when I look at clause 11, there is also something which seems quite odd. Clause 11 (m) of the Bill talks about inserting after section 376 the following new section, and this has got to do with sanction against Insolvency Practitioner by Director, and it reads –

“The director may, in such manner as may be prescribed, apply a sanction against any Insolvency Practitioner who fails to comply with a request of the Director or any provision of this Act.”

But what sanction? We don't know. It is going to be prescribed by way of regulations. But here, we are being asked to vote for a piece of legislation today which will provide for sanctions which we are not even aware what they are.

Similarly, when I look at clause 12 with relation to the Investment Promotion Act being amended, the Minister may, by regulations, establish an electronic licensing system for the application, processing and determination of a permit. And then, it goes on to say that this section shall not apply to permits for import and export of goods. Fair enough! It does not apply for import and export of goods, but what permit are we talking about? We don't know! So, we are going to vote for a piece of legislation blindly, without knowing what permit is going to be issued. Then, we have a definition of permit which says: includes a licence, an authorisation or a clearance. But it is completely vague because we are voting in the dark.

Madam Speaker, I will end up by saying this: when you look at facilitating business for investors to come to this country, there is one thing which is of utmost importance and that is good governance. Because when an investor decides to go to Mauritius, to Mozambique, to Morocco or to any other country for that matter, one of the things that that investor will look at is whether the whole environment where he is going to be operating his business is a clean environment, that it is based on rules of transparency, there are accountability mechanism and then, of course, that he has access to institutions and these institutions work in a way which is completely transparent.

Now, what we have seen - I won't say in the last two years, I will say in the last 12 years - is basically people operating as middlemen. People waiting at the door to open those doors and that's the impression that the whole international community has had of Mauritius merely by reading the newspaper which is now available on the internet. This is what has to change, Madam Speaker. We can come up with whatever number of legislations in terms of making a process quicker, making a process better, but if you have these courtiers, these middlemen, these people who are going to use their influence, use their networking, getting people to come and pay money so that doors can be opened, this country will not prosper. This is what I have to say.

Thank you, Madam Speaker.

**Madam Speaker:** Hon. Sesungkur!

(11.03 p.m.)

**The Minister of Financial Services, Good Governance and Institutional Reforms (Mr D. Sesungkur):** Thank you, Madam Speaker. Right from the outset, I firmly believe that it is a sound decision from the part of the Prime Minister and Minister of Finance to come up with this piece of legislation to fine-tune a certain number of enactments, to amend certain laws so that we can facilitate business. I have listened carefully to a number of orators from the opposition mainly, but I must say that I have not been impressed by the points they made simply because they are devoid of substance and there are mere criticisms as always.

Let it be on record that it is today, in 2017, that the Business Confidence Index has gone up, has improved substantially. Let it be on record that our foreign exchange reserves are reaching new record level. Let it be on record as well that the growth rate of our economy is improving after probably more than 10 years. The rate of unemployment is going down. All these are positive achievements which show that we are on the right track. So, painting a dark picture, as the Opposition has always been doing, will never help Mauritius.

It is by contributing, it is by bringing new ideas, new rethinking and it is only through this process that we can build a new Mauritius. We have heard a lot of criticisms, that these amendments, these legislations will not change much the landscape, but it is also true, Madam Speaker, that Rome was not built in a day, and we have to start somewhere. So, this legislation is, in fact, a very good starting point and this why I thank the hon. Prime Minister and Minister of Finance for coming up with such an important piece of legislation.

I have been listening to hon. Bhadain. As usual, he is far-fetched; he is not here. At times, when I hear hon. Bhadain even outside, the kind of arguments, the kind of thinking he makes, I don't know if I should be saddened or surprised or disappointed. For instance, he says that there is great risk that when we align the tax rate of offshore companies and domestic companies the tax base will be eroded, but this is not true. This is simply not true because both offshore and domestic companies are imposed a 15% tax rate. What is different is that the offshore, the global business sector get a tax credit of 80% which brings the tax rate to 3%. So, what is this alignment? The tax rate is already a uniform rate of 15%. What OECD has said is that we have to look at this because there is a perception that we are favouring, there is a double standard for companies and we are working towards a solution, we are trying to fine tune that and one of the solution would be instead of giving the credit to the bottom line traffic, we can also give it at the top line. So, these are the kind of arguments which Mr Bhadain often comes up.

I heard him recently saying that he will drop the salaries of Prime Minister, of Ministers by 25%, and MPs. So, a simple analysis would be that - I am just replying to the points he has made - all our salaries are based on a structure which is the PRB.

**Madam Speaker:** Hon. Sesungkur, what does this have to do with the Bill? I have said several times that you should not be out of context. This is out of context. Please!

**Mr Sesungkur:** Madam Speaker, I am just making the point of the fallacious arguments, the fallacious ideas...

*(Interruptions)*

So, let us carry on. Madam Speaker, I will be very brief. There have been many orators who have been referring to the ease of doing business of the World Bank Report. I have also gone through the Global Competitiveness Report published by the World Economic Forum 2016-2017. It is true that Mauritius is facing serious competition. We are ranked by the World Economic Forum at the 45<sup>th</sup> place, but it is equally comforting to note that we are just after an economic giant like Italy, a European country. Italy scored 4.5 points, Mauritius scored 4.49. There is absolutely no difference. So, there are ways of looking at things.

We are, of course, evolving in a very competitive environment and many orators have mentioned that we have to constantly look at what are those impediments to businesses. And I must say that among the top ranking countries, there is Switzerland which ranks in the first

place and Singapore comes just next to it. So, two international financial centres show that Switzerland and Singapore do not have heavy industries. They do not have natural resources, but still they have been able to thrive and to be among the top performers. They do not have petrol, they do not have gold. So, Mauritius can also do better in the future.

Madam Speaker, the question at the heart of the debate is: how do we attract more and more investment to our country? How do we become the so-called 'tiger economy' of the new emerging African continent? How do we achieve a transformation that can securely underpin the living standards of Mauritians in the coming years?

Madam Speaker, there have been previous legislation like the Business Facilitation Act 2006, then in 2010 there was a second wave of reforms, but reforms should continue. We have to continuously reassess our economic apparatus so that we do not lose our competitiveness.

I will speak on three main points drawing mainly from this report -

1. the efficiency of our economy;
2. improving our global competitiveness, and
3. developing the innovation ecosystem.

Without going into details, there has been a successive wave of legislation which has been enacted over the past two years, over 50 in fact, precisely, to ease the overall business climate, to ease the way we can do business in Mauritius and to attract foreign investors. The present trajectory of reform should continue because we want to ensure stability and security for the economy. The measures we are taking reflect the long-term thinking of this Government. We need constant new thinking, approaches and experiences if it continues to be effective. Not to do so would have been wholly irresponsible from our part. Long-term economic plan is all about raising living standards of our Mauritian population.

Madam Speaker, the World Competitiveness Report 2016, according to an annual analysis made by the International Institute of Management Development (IMD), World Competitiveness Centre in 2016, Hong Kong tops the competitive league ahead of the USA which is on the third place and Singapore on the fourth. IMD says that the common pattern among all the countries in the top 20 is their focus on business friendly regulation and there are other things like physical and intangible infrastructure inclusive nation.

The Global Competitiveness Index of the World Economic Forum focuses on 12 pillars. They called it the 12 pillars of competitiveness. The first pillar is institution. They explained that the legal and administrative framework within which individuals', firms' and Governments' interact determines the quality of the public institutions of the country and has a strong bearing on the competitiveness and growth. It influences investment decisions and the organisation of production.

The second pillar, if I may continue, extensive and efficient infrastructure is critical for ensuring the effective functioning of the economy. Effective modes of transport, including high quality roads, rail roads, ports and airports, all these are reforms, are projects which the Government is currently implementing. Why? It is because we want to modernise our country. We want our country to be more and more effective.

Madam Speaker, the innovative part, again quoting the report, we will have to constantly innovate to maintain our competitiveness. It says that innovation is particularly important for economies as they approach the frontiers of knowledge and the possibility of generating more value for merely integrating and adapting exogenous technologies tends to disappear. These economies, firms must design and develop cutting-edge products and processes to maintain a competitive edge and moves downwards even higher value added activities. This progression requires an environment that is conducive to innovative activity and supported by both the public and the private sectors.

To continue on this innovation part, according to the latest thinking, innovation occurs in an ecosystem where businesses, regulations and social norms promote connectivity, creativity, entrepreneurship, collaboration, and the adoption of the latest technologies to generate new ideas and bring new products and business models to market. These concepts are measured by four pillars: technological adoption, market size, business dynamism, and innovation capacity.

Madam Speaker, this gives us an idea of what the environment will be in the coming years, in the future, and our country must be prepared for these kinds of challenges. Breakthrough in technologies such as artificial intelligence, biotechnology, robotics, the Internet of things and 3-D printing, to name a few, will provide new avenues for growth and development in the future, but could also give rise to significant social challenges. So, these are other elements which we will have to take into consideration, but Government is already

working on a number of projects which will be there to improve our overall competitiveness when it comes to attracting FDI, when it comes to making our country more conducive.

To end, Madam Speaker, what do we need to do? We need to –

- gear up the capacity and incentive of businesses and entrepreneurs to invest;
- achieve far-reaching macroeconomic and structural reforms; ambitious Structural Reform Programme to uplift productivity. Government is already embarking on Civil Service reforms;
- optimise the productivity of the employment force;
- further enhance Business Facilitation Framework and investment climate;
- provide legislative and institutional support to enhance the attractiveness of Public-Private Partnerships;
- strengthen the reputation of Mauritius as an international, financial and business centre on the international scene, so that, tomorrow, we will be in the same league as Switzerland, Singapore, competing on equal grounds.

Thank you very much, Madam Speaker.

(11.21 p.m.)

**Madam Speaker:** Hon. Rutnah!

**Mr S. Rutnah (Third Member for Piton & Rivière du Rempart):** Thank you, Madam Speaker. I start by saying, ‘All those who are trying to doze off, it is time for wakey-wakey.’

Now, Madam Speaker, it is...

*(Interruptions)*

**Madam Speaker:** Hon. Member, keep your remarks to yourself! It is not for you to ask him!

**Mr Rutnah:** It is, Madam Speaker, a very important day in the history of our country today, because here, we are living in a country where a two-year old child is grabbing the phone of his father or his mother, sliding the screen and watching pictures, and by the time he or she is three, he is texting messages and he knows what WhatsApp is all about as well as Facebook.

So, this is a starting point: where we are now, where we were before, and what we are going to be in the future as a country, as a nation. We, at one point, were doing everything manually or by analogue. Slowly but surely, we have moved from there to a society that is computer literate, abreast with its information technology and a society that is evolving in the electronic and digital world.

Madam Speaker, when I look at the object of this Bill, it reads as follows –

“The object of this Bill is to provide for amendments to the legislative framework that are necessary for the removal of constraints in relation to permits, licences, authorisations and clearances to further facilitate the doing of business, and for related matters.”

When I first looked at this explanatory note, I did not see any word here relating to, for example, digitally, electronically. So, I asked myself, “How the hell on earth this is going to happen?” But, then, when I started to peruse the Bill, it came to light that we are going to do things that are going to be really historical. One day, our children will talk about this, about the debates that have taken place in this House in relation to this Bill.

Even hon. Bhadain has said in so many words that this is a good initiative - e-licensing, MRA as a collective agency. And when we hear hon. Members from the Opposition, all of them are in principle agreeable with what is in the Bill. I have not heard, unfortunately, my very able and learned friend, hon. Ganoo, who will speak later on. I anticipate he, as well, probably, will be saying virtually the same thing, namely that in principle he agrees with the Bill. Nevertheless, there will be some questions that are going to be raised. But, at the end of the day, the Bill simply seeks to simplify and harmonise a system that has been clogged, a system that, since the British left our island in 1968, has remained the same and no improvement has been brought in order to revolutionise business facilitation in our country.

Madam Speaker, let me start by referring to the Budget Speech of 2016-2017, which was presented by the hon. Prime Minister, Minister of Finance and Economic Development. But, then, he was only Minister of Finance and Economic Development. In the Annex of the Budget Speech, at B.3., he dealt with what he was going to do in relation to business facilitation. At that point in time, when he was the Minister of Finance and Economic Development, he had a vision. He had a vision about facilitating business and now he is in



action as a Prime Minister and the Minister of Finance and Economic Development. Here, I can see he spoke about –

- Facilitation of investment projects;
- BLP on-line system;
- Compliance Certificate by Local Authorities;
- Outline Planning Permission or Building and Land Use Permit;
- Occupation Permit by Investors and Self-Employed and Residence Permit by Retired non-citizens;
- Occupation Permit application form;
- Opening up of the economy;
- Acquisition of property for business purposes;
- Sharing of information;
- Reviewing of the Licensing system in the Tourism Sector;
- Building Control Act;
- Sugar Industry Efficiency Act;
- *Morcellement Act*;
- Local Government Act;
- Info Highway;
- Freeport zone, and so on.

And today it's very clear that we are on the right track and that we are going to modernise, revolutionise our country in all spheres of activities. We are faced with challenges. We live in an era where things are met with speed and intelligence and not ordinary speed, we are here talking about broadband speed, not even the speed at which Concorde is flying but at broadband speed. And we have to be able to deliver.

I'll take the example of Estonia. Many of my predecessors who have addressed the House have referred to Singapore, Switzerland, England, etc. But let's take an example of Estonia. Estonia has a population of 1.3 million people. In 1991, Estonia restored its independence by defeating the Soviet Union and half of the population at that time had not even a phone line, and when then the Prime Minister, Mart Laar decided to push through a period of modernisation, Estonia was in the dark. And Finland was, at that time, trying to offer Estonia its analogue phone system for free, and Estonia said: "No, I don't want your free system; I will develop my own country". And they built their own digital phone system.

And thereon, today, Estonia sets example in the world insofar as electronic business facilitation is concerned.

Madam Speaker, some of the business facilitation that exist in Estonia are, for example, they call it *beta phase*, e-resident, for example. You can, in Estonia, register a company online, sign documents digitally, exchange encrypted documents, report online to the Business Register, conduct online bank transfers, declare taxes online, submit annual reports online, procure digital prescriptions for Estonian pharmacies online. So, here we are talking about a country that was, in 1991, poorer than us. They were facing a bleak future. But once they started to develop and revolutionise their system, today they are leading in the world.

Singapore, in 1968, when we got independence, as resources we had tea, we had sugar, we had tobacco, we had water. Singapore had none of these things. Today, if you go to Singapore, we cannot compare their standard of living with ours. We, after dilly-dallying are now realising the Metro Express Project, but they had the most advanced metro years and years ago and they are the most advanced financial platform in the world. So, we have to learn, to develop and to take example from these countries.

Madam Speaker, the Bill as it comes today, it's not just coming or dropping from somewhere from the sky. Before this Bill has been introduced to this House, the Prime Minister recently set up 350 hotspots around the country and 250 is yet about to come. The Prime Minister has also recently set up, the Citizen Service Portal and this is indicative of the vision of the Prime Minister to transfer this society into a society that would be digitally and electronically educated and versed.

Madam Speaker, very briefly, I propose to deal with a few criticisms that have been raised, in particular, by the Leader of the Opposition and by hon. Bhadain. The Leader of the Opposition took issue in relation to FDI and he said that we went in reverse gear, this is the word he used, we went in reverse gear from 2012 to 2014 and thereafter. But did we go on a reverse gear if ever we went on a reverse gear? Because I know for a fact, that Government has been accelerating, but we have, according to the Opposition, gone into reverse gear. It is simply because for nine years or nearly 10 years, there has been mismanagement of public affairs and there were no efforts to make business facilitation easy at that time. And, unfortunately, it does not give me great pleasure to say it that the Leader of the Opposition most of the time, for nine or nearly ten years was a Minister in the then Cabinet of then then

Government. So, we went on the reverse gear simply because at that time there was no foresight that we should develop in the way we are developing.

This morning, in fact, during the PNQ, as a result of a supplementary question put by me to the hon. Prime Minister, he gave this answer, and he said...

*(Interruptions)*

A PQ. I'm so sorry, I am glad hon. Baloomoody is listening very attentively. I am grateful.

And I asked the hon. Prime Minister in relation to a comparison figure of what the position was, insofar as FDI is concerned and the number of IRS and RES projects - I think the answer was since 2005, a total of 2,246 residential units have been sold under various schemes. And that in the period 2005 to 2014, the total number of units sold was 1,509. So, in 10 years, only 1,509 and what progress did we make in two years in relation to the same kind of project?

In about two years, the IRS figure is 737.

*(Interruptions)*

Of course!

I am glad that sometimes, even from a sitting position also, hon. Adrien Duval, used to be the Deputy Speaker, and he knows the Standing Orders. But I am grateful; I will give him the figures as well in relation to the FDI. The Prime Minister said, in real estate, the FDI figures rose from Rs4 billion in 2014 to Rs6.8 billion in 2015 and Rs7.9 billion in 2016.

*(Interruptions)*

So, just to ensure that the figures are well noted in hon. Duval's laptop, the real estate figures rose from Rs4 billion in 2014 to Rs6.8 billion in 2015 and Rs7.9 billion in 2016. These are the figures, Madam Speaker.

*(Interruptions)*

Of course, they are happy but as I said, they suffer from the 'but syndrome'.

*(Interruptions)*

I don't mean the four letter word, Madam Speaker, with the double 't' ending. I mean the three letter word with the single 't'.

*(Interruptions)*

In any event, Madam Speaker, now I would like to also deal with the contention of the hon. Leader of the Opposition that transferring from one Department to the Registrar General from the Minister and at this point I would also seek to kill two birds with one stone because the same criticism was raised by hon. Bhadain in relation to Clause 2. Hon. Bhadain said the following: “What”, I like his tone today and he said like this: “What!”

*(Interruptions)*

You see, Madam Speaker...

*(Interruptions)*

He said: “I am also helping the Government” and he said: “if someone is not satisfied with the Registrar in relation to a name, example, the forensic name, what is he going to do? I suggest there should be an appeal to the Minister and by giving away the ministerial responsibility is contrary to good governance.” He was very calm when he said it. The hon. Leader of the Opposition also said that the Ministers are too busy giving it to the Registrar, one step less.

I have been in this House now for over two years, and every time there has been a Bill presented to this House and when we come to that part of the Bill where it is referred to the powers of the Minister then we get criticised. We get criticised because they say *copains*, *copines* and a number of allegations that they cannot make outside!

*(Interruptions)*

**Madam Speaker:** Now, would you continue to interrupt? If you do then I will take action!

*(Interruptions)*

**Mr Rutnah:** I am grateful, Madam Speaker.

*(Interruptions)*

**Madam Speaker:** I am giving you a warning!

*(Interruptions)*

**Mr Rutnah:** So, whenever we see those sections of a Bill where powers are conferred on a Minister then we get criticised. But, now what are we doing? The Prime Minister is

saying: “Look, I am giving it to the Registrar who is a civil servant, who is independent, more transparent.” Again, they say it is no good! So, if he keeps it to himself or to another Minister, it is not good. What are we going to do?

*(Interruptions)*

Let us do politics by conviction, not politics by convenience because out there people are watching what is going on in the House. Out there, people are clever. Out there, people are not living in the 60s. People are living, as I said earlier on, in an era where things are met with speed and intelligence. Intelligence counts a lot!

Madam Speaker, I am...

*(Interruptions)*

no, I am not fed up yet. If I am really fed up I am going to go on and on because you know that when I start...

*(Interruptions)*

But I am going to give opportunities to my learned friends...

**Madam Speaker:** Please, don't start something you can't stop.

**Mr Rutnah:** Madam Speaker, I am going to speak a little bit about the *morcellement*. We all know, like the hon. Leader of the Opposition said, that the sugar estates have long ditched the business of sugar and they have shifted from sugar to *morcellements* and to bagasse, extracting energy and dealing with areas where they can make money. But, what is wrong with it? What is wrong with the private sector taking initiative, diversifying the economy, investing into the economy because, mind you, without investing into the economy, without diversifying the economy there can never be development, there can never be modernisation, there can never be job creation, there can never be multiplier effect.

It is good that the private sector is investing in *morcellements*. Now, are we going to be criticised, by hon. Bhadain for example, that in IRS projects there is no investment because people from abroad are going to come and buy property here. There will not be any multiplier effect. Madam Speaker, when people buy property in Mauritius firstly, they have to invest to buy. True it is to say that that property, if not rented partly or wholly, will not bring income. However, those who come from abroad when they settle in our country they spend a lot of money because they contribute in our economy and this is where the multiplier

effect takes effect because they are actually in some way contributing to generate business in our economy. Of course, as a result of foreigners coming to buy property in our country, it gives boost to our construction industry. It gives boost to those who supply raw materials for example. It creates employment. So, there is this kind of business activities, economic activities that generate income. Of course, if we do not facilitate the business of *morcellements*, who is going to bother to come and do business in our country? No one! I am grateful that the Vice-Prime Minister hon. Soodhun is not here...

*(Interruptions)*

No, I am grateful to him but he is not here...

*(Interruptions)*

He is not here. Let me tell you people may say whatever they want to say but whenever I have needed the hon. Vice-Prime Minister, just like the Prime Minister or the Deputy Prime Minister, I have made a phone call to speak to him about something. Even if he missed the phone call, he returns my call and similarly with the Deputy Prime Minister and the Prime Minister. He has done a marvellous job in the Ministry that he occupies. He tells me with this new amendment a *morcellement* permit can be issued within 5 days. There were outstanding cases for the last four to five years and today those outstanding cases are being cleared, but why did we have four to five years of outstanding cases? Snail paste work and there was no motivation to do the job.

But now, in particular with the kind of framework that is going to be set up, it is going to speed up all activities -

- new policy framework for the allocation of State land to ensure transparency and accountability;
- all guidelines and rental rates are on the website;
- letters of intent are issued within two to three weeks compared with three to four months or even more, and
- once a letter of intent is issued, three years to complete their project.

These were not possible before, but now it is getting possible and in the future it will become more efficient and more effective.

Madam Speaker, there are 26 enactments and what we see in all these 26 enactments is a willingness and a right attitude with a right character to revolutionise business facilitation in our country. Madam Speaker, after everybody has spoken in this House, I don't think, I can contribute any further.

With these words, I would like to extend my gratitude to the hon. Prime Minister and his team who have prepared such a Bill and at the same time very interesting explanatory notes that have really assisted all of us in contributing to the debates today.

Thank you, Madam Speaker.

**Madam Speaker:** Hon. Boissézon!

(11.50 p.m.)

**The Minister of Civil Service and Administrative Reforms (Mr E. Boissézon):** Madame la présidente, tout d'abord, je féliciterai le Premier ministre et le ministre des Finances pour la présentation de ce projet de loi, *the Business Facilitation (Miscellaneous Provisions) Bill*.

Je serai très bref car beaucoup a été dit avant moi et je pense que les 27 clauses de ce projet de loi ont été touchées et disséquées. Certaines font l'unanimité, d'autres sont jugées insignifiantes et d'autres ont été des sujets de discussion. Mais je pense que dans l'ensemble, la Chambre est unanime d'accepter ce projet de loi. Tout un chacun est d'accord que le pays a besoin d'investissements directs étrangers. L'opposition a parlé de réduction dans le montant transféré à Maurice et le type d'investissement qu'intéresse les étrangers, mais elle n'a pas parlé de la crise financière mondiale et aujourd'hui une air de relance pointe à l'horizon loin d'être défaitiste, unissons nos forces, nos connaissances et nos ressources pour profiter de cette relance.

Le leader de l'opposition a parlé de dégringolade. Oui, nous avons perdu des rangs lors de l'évaluation des facilités de faire des affaires. Dans l'indice de 2017, nous sommes classés au 49<sup>e</sup> rang alors que nous étions au 42<sup>e</sup> rang l'année dernière malgré le fait que nous allions augmenter notre distance de la frontière soit 72.18 à 72.27. L'opposition n'a pas parlé de changement de critères d'évaluation depuis 2012, mais nous ne devons pas prendre ces changements pour excuse. Nous devons lutter. Ce changement de rang démontre aussi que la concurrence est forte et que les autres gouvernements font de leur mieux pour améliorer et faciliter la possibilité d'offrir des ressources pour accueillir les devises étrangères dans leur

pays. L'indice de la facilité de faire des affaires est le résultat d'une interaction de quatre parties et le résultat de cet exercice est bénéfique aux quatre parties concernées soient le gouvernement d'un État, l'investisseur potentiel, la Banque mondiale et le peuple.

Le gouvernement bénéficie d'un *benchmark* lui permettant de se situer auprès de ses concurrents qui ne seraient pas prêts à échanger des données sensibles. Il est vrai qu'un recul ne fait pas plaisir, mais il est le motivateur de réaliser que nous ne sommes pas dans une zone de complaisance et qu'un recul est un *wake up call*. Nous devons nous secouer pour nous mettre à flot, construire ce *competitive edge* capable de nous donner un avantage sur nos concurrents, mais attention *the edge will quickly become the norm*. L'indice est bénéfique aux investisseurs éventuels car l'investisseur étranger est obsédé par le besoin de fructifier son capital avec le moins de barrières et de tracasseries possibles. Aujourd'hui, le monde est un village global. Les distances s'amenuisent. Prenons, par exemple, un investisseur qui quitte l'Europe un après-midi et atterrit à Maurice le lendemain matin, il est en contact permanent avec son point d'attache.

D'autre part, la Banque mondiale gagne en s'assurant qu'avec cet instrument, il a la possibilité de faire que les Etats et les gouvernements prennent conscience du besoin d'améliorer, d'innover et de subsister à la concurrence globale qui persiste dans le monde. Le peuple de Maurice a l'expérience des défis. Qui ne se rappelle pas du rapport Meade qui disait que Maurice était au bord de la banqueroute quand nous allions prendre notre indépendance en main ! Qui ne se rappelle pas qu'en 1982 les caisses étaient vides quand le gouvernement MMM prit le pouvoir ! Qui ne se rappelle pas du premier boom économique ! Le peuple a l'expérience des défis et, aujourd'hui, je pense qu'avec ce projet de loi, nous allons réussir et que même si nous ne parlons pas de miracle économique aujourd'hui, des signes indiquent que nous sommes sur la bonne voie.

La présentation de ce projet de loi démontre notre besoin d'améliorer notre rang dans l'indice de faire des affaires au niveau d'international. Nous avons noté que nous avons besoin d'une loi pour pallier à certaines faiblesses, notamment par rapport à certaines procédures, accélérer le processus d'amener des investisseurs étrangers à Maurice, de simplifier les étapes menant à des permis et licences ainsi que le *e-licence platform* verra le jour dans les délais très courts. La *BOI*, comme certains ont dit avant moi, a lancé des appels d'offres pour le projet et la limite pour la soumission des offres est le 31 mai 2017. Alléger les *insolvency procedures*, minimiser la bureaucratie excessive pour l'importation des



produits contrôlés. Déjà lors de la présentation du budget, le ministre des Finances avait décidé d'inclure '*improving business facilitation to expand our horizon*' comme l'une des 10 stratégies choisies pour la dynamisation de notre économie.

La facilitation des affaires n'est pas une question de loi, de diminution de procédures, d'achat d'équipements, et d'application mais aussi de ressources humaines. Certains orateurs ont parlé de ressources humaines. J'ai noté le scepticisme de l'opposition quant à la possibilité de ce gouvernement d'atteindre notre but d'améliorer notre rang à l'indice de la facilité de faire les affaires. Je suis convaincu que nous allons réussir. Le gouvernement mettra les ressources matérielles et légales, et le secteur public fera de son mieux. Le secteur public a un savoir. Nous avons un secteur public intelligent. Le secteur public a un savoir-faire. Nous savons faire des affaires et au-delà de tout, nous avons un savoir-être. Nous avons l'attitude nécessaire pour faire mieux à chaque fois. Le secteur public fera de son mieux pour éliminer les lourdeurs administratives, mettra fin à la paperasserie tatillonne pour faciliter la tâche des hommes d'affaires.

Les transformations sont en cours. Les transformations de faire des affaires dans le secteur public arrivent à grands pas. Certains ministères ont déjà la certification ISO et d'autres suivront. Des employés attendent avec impatience la mise en place de la stratégie de transformation qui fera d'eux des êtres, des partenaires du développement.

Je terminerai, Madame la présidente, en disant: *We shall do business, not barriers.*

Merci.

**Madam Speaker:** Hon. Rughoobur!

**Mr Rughoobur:** Madam Speaker, I move that the debate be now adjourned.

**Dr. Sorefan rose and seconded.**

*Question put and agreed to.*

**Madam Speaker:** I will now ask the Deputy Speaker to take the Chair.

*At this stage the Deputy Speaker took the Chair.*

*Second Reading*

**THE SHOOTING AND FISHING LEASES (AMENDMENT) BILL**

**(No. III of 2017)**

*Order for Second Reading read.*

**The Minister of Agro-Industry and Food Security (Mr M. Seeruttun):** Mr Deputy Speaker, Sir, I move that the Shooting and Fishing Leases (Amendment) Bill (No. III of 2017) be read a second time.

Mr Deputy Speaker, Sir, the main object of this Bill, as indicated in the Explanatory Memorandum, is to amend the Shooting and Fishing Leases Act 1966 to empower the Minister to make regulations thereunder.

Mr Deputy Speaker, Sir, the Shooting and Fishing Leases Act, enacted in May 1966, provides for the granting of the lease of the right to a lessee to shoot and go in pursuit of game and to fish, hunt or fowl on State Forest Lands.

There are currently, Mr Deputy Speaker, Sir, around 10,360 hectares of State Forest Lands which have been leased to 68 lessees against payment of yearly rentals as assessed by the Government Valuer. For the year 2016, an amount of Rs13 m. approximately has been collected as rent for the lands leased. The Forestry Service of my Ministry exercises overall control on the lands leased and carries out regular inspections to ensure that the conditions of the lease granted are being complied with by the lessees.

Mr Deputy Speaker, Sir, the main activity which most lessees undertake on State Forest Lands is deer hunting and deer rearing. This activity contributes to the annual local production of venison meat during the hunting season. However, there have been reports of cannabis being cultivated on State Forest Lands and of action being taken by the Police to uproot the plants and destroy the drugs.

The Commission of Inquiry on Drugs has drawn the attention of my Ministry and particularly, that of the Forestry Service on the need to exercise strict surveillance on State Forest Lands to discourage the offenders from carrying out such illicit activities. However, because of lack of resources, both human and logistics, and the vast area of land involved, it is not always possible for the Forestry Service to effectively deal with this problem. We understand that the lessees also are not in a position to detect such activities on their leased land because they cannot be permanently present thereon.

Mr Deputy Speaker, Sir, my Ministry has received requests from lessees of State Forest Lands to undertake eco-tourism activities on the lands leased for Shooting and Fishing. It is a fact today that tourists are more attracted to nature and are more conscious of

the need to protect the environment. They are in search of activities which can bring them in closer contact to the natural environment.

Mr Deputy Speaker, Sir, a number of such activities is already being carried out by private forest owners. It is considered that similar activities can be authorised on State Forest Lands as well, without the environment being affected. These activities, Mr Deputy Speaker, Sir, include eco-lodging, eco-trekking, safaris, bird watching, photo shooting, biking and mountain biking, trailing and hiking, horse riding and kayaking. These activities present a potential avenue for offering a different product to tourists visiting Mauritius and for promoting the island as an eco-tourism destination. Eco-tourism will moreover optimise the use of our leased State Forest Lands which have been hitherto limited to deer hunting only.

Mr Deputy Speaker, Sir, the presence of a larger number of tourists and local visitors on State Forest Lands participating in eco-tourism activities will certainly act as a deterrent to unscrupulous people engaging in the cultivation of cannabis on such lands and may contribute in the national fight against drug trafficking.

Mr Deputy Speaker, Sir, it is for these reasons that an amendment was made to the Shooting and Fishing Leases Act through the Finance Act 2016 to allow eco-tourism activities to be conducted on State Forest Lands. These activities, however, need to be prescribed and conditions imposed to ensure that they are carried out in a sustainable manner to protect the environment.

The Shooting and Fishing Leases Act 1966, Mr Deputy Speaker, Sir, contrary to most of our legislations, does not contain a clause permitting regulations to be made. This is why this Bill is before the House today, namely to make provision in the law that would allow the Minister to introduce regulations as and when required for a more efficient and effective management of the State Forest lands.

Mr Deputy Speaker, Sir, the amendment will allow regulations to be prescribed to regulate the types of activities to be authorised, the conditions to be imposed and the relevant fees to be charged by my Ministry. It is expected that the increased revenue to be derived from the fees and rentals of lands will provide additional funds for the maintenance and rehabilitation works undertaken by the Forestry Service as well as a better surveillance of State Forest Lands.

Mr Deputy Speaker, Sir, this Bill will specifically empower the Minister to make regulations for the purposes of the Act and, in particular, for the levying of charges and taking of fees and for amending the Schedule.

Mr Deputy Speaker, Sir, with these words, I commend the Bill to the House.

Thank you.

**Mr Gayan rose and seconded.**

**The Deputy Speaker:** Hon. Wong Yen Cheong!

(00.08 a.m.)

**The Minister of Social Integration and Economic Empowerment (Mr A. Wong Yen Cheong):** Mr Deputy Speaker, Sir, thank you for giving me the opportunity to say a few words on the Shooting and Fishing Leases (Amendment) Bill of 2017.

To begin with, Mr Deputy Speaker, Sir, I would like to go through the objective of the principal Act. The principal Shooting and Fishing Leases Act was first enacted in 1966, superseded by the 1982 Act, under the responsibility of the Ministry of Agriculture and Natural Resources. The Act went through several amendments over the years, with the latest changes brought into it in 2016 with regard to the definition of leases and to provide for ecotourism activities in section 2 and 17 of the principal Act.

Mr Deputy Speaker, Sir, in essence, the function of the principal Act is to regulate shooting, fishing and carrying out ecotourism activities on State lands by granting such right through leases. The lease, which is granted by means of a deed of lease, sets out its duration along with the condition that the relevant activities are to be carried out.

Mr Deputy Speaker, Sir, through a perusal of the principal Act, as it was initially enacted and the changes made to it until now, three key aspects are noted, namely –

- (i) to grant legally enforceable rights to the individuals who have interest relating to shooting, fishing and ecotourism activities and to enable them to emphasise those rights within a defined legal scope;
- (ii) to protect the environment and conserve the relevant species which are subject to such activities, with due attention particularly to SDGs 14 and 15, and
- (iii) to generate Government revenue.

Mr Deputy Speaker, Sir, with regard to the present Bill, first of all, I would like to commend the hon. Minister of Agro-Industry and Food Security to bring forward the important amendments in this Bill. I fully support the object of this Amendment Bill, which is to add the necessary provisions in the principal Act to empower the hon. Minister to make regulations pertaining to crucial elements, which are –

- (i) for the levying of charges and taking of fees;
- (ii) to amend the Schedule in the principal Act, and
- (iii) to create an offence and setting penalties accordingly.

The levying of charges and taking of fees, Mr Deputy Speaker, Sir, should be considered in the light of two previous amendments of 2013 and 2016 because they have a direct effect on the present proposed changes.

First, Mr Deputy Speaker, Sir, in 2013, there was an amendment made to the shooting and Fishing Leases Tax Act 1983, whereby the tax was doubled to Rs470 per hectare per annum, which the MRA had the responsibility to collect. It is to be noted that the tax was an important source of revenue to the Government.

The second amendment of 2016 to the Shooting and Fishing Leases Tax Act abolished the tax imposed as a consequence of the review of the lease rental of State land, as stated in the Annex to the Budget Speech 2016-2017, Part B.6, subsection (c).

Therefore, Mr Deputy Speaker, Sir, it should be pointed out that the financial and other benefits derived from imposition of taxes have ceased to exist following the abolition of the tax in 2016. The empowering of the hon. Minister to charge the levies and taking of fees, as proposed in the present Amendment Bill, should be welcome, because to some extent it will restore the advantage that the tax brought about previously. Considering all important factors in relation to the shooting, fishing and ecotourism activities, the rates to be imposed should be fair and reasonable. As for the creation of the offence and imposition of penalties, Mr Deputy Speaker, Sir, it is absolutely vital for any piece of legislation to have teeth that can bite; otherwise, the law would defeat its purpose. This element will contribute towards ensuring compliance with the law.

Mr Deputy Speaker, Sir, I firmly believe that the proposed amendment marks a crucial step towards a potential more effective operation of the Shooting and Fishing Lease Act, so that it can better regulate the shooting, fishing and ecotourism activities which are to

be undertaken in the appropriate environment and legal framework. I stress, Mr Deputy Speaker, Sir, it must be ensured that the necessary compliance with the legislation is carefully observed, and the provisions are to be enforced as stipulated in the primary law, its Schedule and the regulations.

Mr Deputy Speaker, Sir, the Bill, which is in front of this House today, makes provisions regarding ecotourism. It is an undeniable fact that there are more advantages than disadvantages of ecotourism. These benefits range from protection of indigenous flora and fauna to the conservation of resources. It is also known that unoccupied land often leaves space for squatting, and we all know the consequences which follow. There are also other adverse consequences. One example is the fact that some people might take advantage that some pieces are unoccupied to carry out illegal activities like planting illicit plants. We remember that, some years ago, there were lands that were not occupied, where people were having illicit distilleries of rum, *alambic*.

Mr Deputy Speaker, Sir, having ecotourism activities is also meant to help fight against poverty in the sense that such activity may help to empower local people by providing them a job. These local people may get a job as guide or even look after the hunting grounds. They may sell craft or be involved in other economic activities. On the other hand, one will recognise that the site where ecotourism activities are carried out can help to develop the surrounding regions, thus bringing better standard of living through improved facilities to the people living in these regions. Therefore, Mr Deputy Speaker, Sir, we would welcome the amendments being debated before this House today.

Thank you.

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

(00.00 a.m)

**Mr R. Dayal (First Member for Flacq & Bon Accueil):** Mr Deputy Speaker, Sir, I must, at the very outset, express my appreciation to hon. Mahen Seeruttun, Minister of Agro-Industry and Food Security, for bringing this amendment to the Bill, which was long overdue.

The limited availability of arable land, resources to small planters, should be compensated from land dedicated to *chassés*, which provides little return in economic terms, which is not in the national interest. The practice of shooting and fishing has to be reviewed

to positively respond to the challenges of our time for optimum utilisation of available land resources.

The state of emergency posed by climate change with acerbating meteorological phenomenon like flooding, soil erosion and landslide is causing enormous problems to planters in general, but to small planters in particular, hence the dire need in the context of food security and to achieve self-sufficiency. This is to ensure sustainable production of good quality of vegetables to replace the forthcoming wholesale vegetable market at Wooton.

My intervention, with deep-rooted love for mother earth and as the son of a planter, is meant for agricultural development. I am fully conversant of the trials and tribulations of planters throughout the Republic of Mauritius, more specifically those men and women of my constituency, and their dream is to have access to State lands for the advancement of the agro-industry, more specifically that of the Forestry Department. Small planters' vision and action is to earn a decent and an honest living by working the land to feed the nation and to increase productivity of vegetables in the market. This will ensure their social empowerment.

We fought for Independence to be master of our destiny. It is not a secret to anyone in Mauritius that, even before Independence, the sugar barons had a *mainmise* on the *chassés*. And, as per the Colonial Gaming Act of 1831, section 13, I quote –

“Lord of manors may appoint gamekeepers, powers of the gamekeepers of manors in Mauritius; it was further enforced by the mechanism of *gardiennage*.”

This is what our Hansard had recorded when the then Minister of Agriculture and Natural Resources, hon. Satcam Boolell, stated when the Shooting and Fishing Leases Bill (No. IX of 1966) was being debated, I quote –

“(...) is to consolidate and amend the law relating to the grant of the shooting and fishing leases (...).”

Also, I quote –

“The substantial increase in the deposit of bond will provide a more effective deterrent against the non-observance of the terms of the lease.”

He went further, and I quote –

“If there is a land adjoining a *chassé*, normally the lessee asks the right to keep poaches or other intruders away from the unleased land. Otherwise, his game will be

disturbed by people coming in and going out of that land. The right which is granted to the lease over that adjoining land to keep a watch but not to shoot is called in the local jargon - I quote - “*gardiennage*””

There is no provision in the law to provide for, I quote, “*gardiennage*”. But we have been giving such rights to lessee in practice. My suggestion is to make the land “for *gardiennage*” available for small planters and breeders. However, in the intervention of hon. Foogooa in the Bill, he stated that, I quote –

“During a certain period, that is, 9 months, to have access to the shooting and hunting lands, especially for the purpose of; to collect Chinese guavas and fodder grass as well. When he was a young boy, the Forest Department shooting lands were given to small planters to plant food crops and the Forest Department, after two to three years, planted young plants. It was profitable to the Department because the cleaning of the land was done by small planters.”

Mr Foogooa’s suggestion was to grant such leases for a period of 3 to 4 years. I suggest it be for a period of 5 years and the lease be granted through democratic mechanism by organising small planters and breeders into vegetable growers cooperatives throughout the country within the philosophy of the Taungya lease which was to be extended but nothing was done. And, I must say the Taungya farming was the success story in many African countries.

Mother Nature has graced us with a congenial spiritual environment at Grand Bassin. Unfortunately, there is a *chassé* thereat and gun shots are repeatedly heard during the hunting season next to the sacred lake, disturbing the calm and serenity of the place for tourists and Mauritians. The land thereat should be, according to me, allocated to the security forces, as at today there is no dedicated training ground for the security forces of the Republic of Mauritius like it is in other countries.

This measure will also help in curbing the plantation of cannabis in the area. Lately, it has been observed that a few hunting grounds or *chassés* are delivering letters of intent haphazardly to certain individuals in a bid to facilitating them in acquiring a firearm for hunting purposes, due to shortcomings in the Firearm Act 2006. In fact, section 17 of the Firearm Act 2006, hunting and game shooting organisation does not provide sufficient parameters in addressing such issues.



In the initiative of this Government to have effective gun control mechanism to curb crimes and misdemeanours, this piece of legislation has to be revisited. It must be noted that in the month of February 2016, ADSU raided the ranch not far from Grand Bassin and uprooted cannabis plants of some Rs1 m. and during the raid, one Police officer got injured by booby traps installed thereat. The lessee of the *chassé* was subjected to an investigation under warning. We don't want more Mont Blanc in the Republic of Mauritius.

More so, there has already been overexploitation of land belonging to vegetable growers by small planters resulting in excessive use of chemical fertilizers and pesticides for lack of additional rotation lands of the State which are in the hands of a privileged few. Hence, the dire need for a land audit to meet the challenges of climate change is a must, bearing in mind pertinent environmental issues and the exigencies of a vibrant ecosystem to sustain future generations of Mauritius. More so, as ecotourism is an important economic lifeline for national development, more so we have a rich variety of endemic flora and fauna in our forested areas.

Hon. Ramlallah stated, and I quote –

“The lease of crown lands for shooting and fishing has been the biggest scandal in this country for ages. Personally, I would like to get (...).”

And he was intervening on the Bill –

“Personally, I would like to get cancelled all the leases and let the crown land free. Mauritius is the only country where hills and rivers belong to private enterprises. We are not improving with this legislation.”

We will certainly have to improve but in a sustainable manner in the highest interest of our motherland for the present generation and generations to come in peace, justice and harmony. It must be said that even hon. Lesage when the Shooting and Fishing Leases (Amendment) Bill No. IV of...

**The Deputy Speaker:** Hon. Dayal, please restrict yourself to the amendment, that is, the power of the Minister to make regulations!

**Mr Dayal:** I am coming to that.

*(Interruptions)*

And here it is –

« De nous donner des détails sur la nouvelle politique du gouvernement pour régler une fois pour toutes, cette question de location des terres et des gardiennage dans les réserves de la Couronne. Cela a fait couler beaucoup d'encre dans le passé. Je crois que c'est utile de rationaliser une fois pour toutes cette question. »

This is where the powers to make regulations come!

In the wake of climate change and food security, hon. Seeruttun, through the proposed amendment, will have a golden opportunity to put more land at the disposal of small planters in a regulated manner and, at the same time, making sure that certain plants with which our country is blessed like the *Peepal*, *Ficus Religiosa*, and the Bel, the Wood Apple, be systematically planted alternately along all roads giving access to shooting and fishing lands without forgetting the breadfruit, *fruit à pain*. It has to be noted that scientific researchers have proved that *Peepal* replenishes the ozone layer and we have a problem in this part of the globe. This will be a hallmark for this Government which has already initiated at the level of the Ministry of Environment, Sustainable Development, Disaster and Beach Management.

The Bill will also provide an added opportunity for greening Mauritius with a host of environment-friendly plants along rivers and canals in the River and Canal Rejuvenating Project of the Ministry of Environment based on the Indian model where they have successfully rejuvenated some 500 rivers and canals. This project has enabled the increase in the water retention potential in rivers and canals during flooding and cyclones. It will help alleviate the water shortage for irrigation with the provision of a series of small dams in dedicated zones conducive to water storage, at the same time providing arable fertile land for growing food crops to achieve food grains self-sufficiency in the context of food security and of climate change.

To conclude, I must say that my patriotic motivation in suggesting a revisiting of the Shooting and Fishing Leases Act in terms of making regulations in the context of food security and climate change is a necessity.

Thank you, Mr Deputy Speaker, Sir.

*(Interruptions)*

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

(00.28 a.m.)

**The Minister of Tourism (Mr A. Gayan):** M. le président, je dois remercier mon collègue, le ministre de l'Agro-industrie d'être venu à l'Assemblée avec ce projet de loi qui est très important pour le développement de l'écotourisme de notre pays.

Je dois signaler que l'année dernière, il y a eu un amendement qui a été fait sous le *Finance Miscellaneous Provisions Act* de 2016, qui a ajouté la possibilité de l'écotourisme comme une des activités permises dans les chassés, tel que c'est prévu dans la loi de 1966. Je dois reconnaître M. le président qu'il y a une nécessité absolue d'offrir à nos touristes la possibilité de profiter non seulement des plages mais aussi des autres centres de loisirs que les chassés peuvent offrir à nos touristes et aussi aux mauriciens.

La possibilité d'un écotourisme contrôlé, bien règlementé est nécessaire parce que nous avons aujourd'hui les *millennials* comme on les appelle, qui sont à la quête de nouvelles expériences, de nouveaux produits touristiques et ils cherchent des choses nouvelles, et je pense que c'est possible avec l'écotourisme de leur offrir cette possibilité de vivre dans un environnement qu'ils n'auront jamais connu dans les grands centres où ils habitent.

Le tourisme est une activité, est une industrie qui est en mutation constante et il y a les exigences des touristes qui se renouvellent de jour en jour. Il y a une évolution constante dans les demandes des touristes non seulement à Maurice mais à travers le monde. Mais ce qu'il faut prendre en considération c'est que nous avons des compétiteurs dans le monde du tourisme dans l'Océan Indien. Nous avons les Seychelles, nous avons les Maldives, nous avons aussi Zanzibar et il faut que Maurice arrive à offrir plus que nos compétiteurs. Et c'est là que les chassés deviennent très importants, parce que nous pouvons offrir un produit différent, un produit qui est totalement nouveau pour les touristes quand ils viennent à Maurice. J'ai entendu mon collègue Dayal parler du cannabis dans les chassés. Mais s'il y a un écotourisme contrôlé et règlementé, il n'y aura pas de plantations de cannabis parce qu'il y aura une activité normale et contrôlée dans ces territoires. Je crois c'est très important qu'on garde en tête que ce n'est pas actuellement nécessaire d'offrir ces terrains pour les petits planteurs. D'ailleurs, il y a à Maurice une situation où les petits planteurs sont en train de quitter leur terre.

*(Interruptions)*

Oui, il y en a. On n'a qu'à voir le nombre d'arpents de canne à sucre qui sont abandonnés. C'est énorme parce qu'il n'y a pas de main d'œuvre et il n'y a pas la possibilité d'en avoir à

Maurice. Il faut qu'on fasse autres choses. Mais ça, c'était important pour le débat qu'on a eu plus tôt sur *the Ease of Doing Business*.

We have, Mr Deputy Speaker, the possibility of offering to our tourists by the ecotourism potential an authentic, unique and unparalleled experience for the tourists. So, this is why I am absolutely convinced that this Bill is important because it paves the way for ecotourism to become an activity which is as yet unknown.

We need to have ecotourism in those lands and not to have massive constructions or whatever. It has to be in a manner which is sustainable; in a manner which blends into nature and which really is attractive as an activity. In fact, this particular ecotourism is going to set the stage for a new kind of development. It is going to be important for these lands to become economically viable. They will be used for development purposes and they will be used in a sustainable manner. In fact, it is good for this House to know that the year 2017 has been declared by the World Tourism Organisation as the year for sustainable tourism and this particular Bill goes in that direction head on. So this is why, Mr Speaker, I do not want to be too long but...

*(Interruptions)*

I can be long if you want. The fact is what are we offering to the tourists today? We are offering them the great hotels and the beach, sea-based activities but we need the tourists to know that we have another kind of Mauritius. We can combine them, we can have some tourists who will go only to stay in the eco lodges but we need to diversify the product. We cannot stay inactive because the tourism industry is something that is in constant movement. It is always a work in progress and this is why I welcome this Bill, Mr Deputy Speaker. Thank you, Mr Deputy Speaker, Sir.

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

**The Minister of Agro-Industry and Food Security (Mr M. Seeruttun):** M. le Président, permettez-moi d'abord de remercier tous les intervenants qui ont contribué sur ce projet de loi que je viens de présenter.

J'ai pris note des appréhensions de mon ami, l'honorable Dayal en ce qui concerne la sécurité alimentaire et aussi le changement climatique mais qu'il reste rassurer que tout ce qui sera fait au niveau de ce projet qu'est l'écotourisme ne va en aucune façon accentuer son appréhension, mais bien au contraire. Je peux garantir que tout sera fait pour améliorer le

paysage de l'île Maurice et aussi pour permettre aux mauriciens de découvrir des sites dont ils n'avaient pas accès dans le passé. Donc, je voudrais aussi remercier mon collègue le ministre du Tourisme qui comprend qu'aujourd'hui il faut diversifier les produits qu'on offre aux touristes. Ce qu'on propose aujourd'hui va permettre de vendre encore plus la destination de l'île Maurice. Aujourd'hui, c'est une autre étape de cette industrie qui se développe et donc moi je suis fier de pouvoir y contribuer.

Mr Deputy Speaker, Sir, as I pointed out earlier on, this Act is going to empower the Minister to make regulations which will authorise, *inter alia*, the various types of new ecotourism activities to be carried out on State forest land besides shooting and fishing activities. I am sure that these activities, like I just mentioned, will give a boost to our blooming tourist industry and the whole country will become a complete tourist destination with not only exotic beaches, pristine lagoons and 5-star luxury hotel resorts but with inland natural places to discover, enjoy and appreciate. Not only tourists but the whole population will now benefit from these natural and beautiful attractions. Knowing and experiencing nature makes us happier, healthier people and raises our understanding of the importance of nature.

Quelqu'un avait si bien dit : "Il n'y a pas de future sans nature." Avec ces mots, je vous remercie, M. le président.

*Question put and agreed to.*

*Bill read a second time and committed.*

### COMMITTEE STAGE

*(The Deputy Speaker in the Chair)*

*The Shooting and Fishing Leases (Amendment) Bill (No. III of 2017) 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 Shooting and Fishing Leases (Amendment) Bill (No. III of 2017) was read the third time and passed.*

**The Deputy Speaker:** The sitting is suspended for 10 minutes.

*At 00.42 a.m., the sitting was suspended.*

*On resuming at 00.57 a.m. with the Deputy Speaker in the Chair.*

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

### MOTION

**Mrs M. A. Perraud (First Member for Port Louis North & Montagne Longue):**

Mr Deputy Speaker, Sir, I beg to move for the Motion standing in my name on the Order Paper, namely –

*“This Assembly resolves that the Income Tax (Amendment of Schedule) (No. 2) Regulations 2017, published under Government Notice No. 52 of 2017 and laid on the Table of the Assembly on 11 April 2017, be disallowed.”*

Mr Deputy Speaker, Sir, I will answer the question that I think many of you are asking today. Why this Motion of disallowance of GN No. 52? Mr Deputy Speaker, Sir, the Government Notice No. 52 of 2017, the tenth Schedule is all about the criteria for Corporate Social Responsibility (CSR). Part A gives a list of priority areas of interventions 10 plus 1 and part B is about activities and contributions which do not qualify under CSR.

Mr Deputy Speaker, a first look at the list of criteria it seems, it looks like this new list of criteria of GN 52 of 2017 is the same as the one made previously, the one that was used before the former Minister of Finance, hon. Lutchmeenaraidoo, removed all the guidelines. I am comparing this set of criteria with the set of criteria existed in 2011 - the set which is found in this booklet.

But, Mr Deputy Speaker, when we take time and look carefully at these criteria, when we take time and listen to NGOs, to companies, to beneficiaries, then we understand that these criteria of 2017 lack vision. Ils sont coupés de la réalité, coupés de l’urgence sur le terrain.

Avant de poursuivre, j’aimerais, M. le président, dire que je vais me restreindre au contenu du GN 52, c’est à dire à la partie (a) et à la partie (b) sur les critères pour les secteurs d’intervention. Bien sûr M. le président, je compte sur votre vigilance et je compte sur votre sagesse pour ne pas élargir le débat parce qu’il y a tellement à dire sur le secteur des ONG, que moi aussi j’aurais pu parler sur beaucoup de points, mais vu l’heure, je ne vais pas dire l’heure tardive mais matinale, donc je vais me restreindre sur le GN 52.

Mr Deputy Speaker, this list of priority areas of intervention shows that this Government has not been bold enough to win the fight against poverty. M. le président, alors que le ministre des Finances, Premier ministre, a dit dans son discours sur la politique du CSR, je cite –

“We have therefore decided to revisit the use of the CSR funds to ensure greater transparency and better outcomes.”

GN 52 - the list of criteria does exactly the contrary, there is no transparency and I will develop later on this point.

Mr Deputy Speaker, before dwelling further on the list of criteria for CSR, it is important, right at the outset, to underline that NGOs, good NGOs, are doing a great job. These NGOs are giving a service that Government should have been giving, but actually is not or cannot give. The NGOs are here to help the Government and to help the society. Mr Deputy Speaker, it is important for us to understand how this concept of CSR started.

*(Interruptions)*

L’historique est important...

*(Interruptions)*

The hon. Minister wants to speak.

**Mr Gayan:** Mr Deputy Speaker, when hon. Mrs Perraud started her intervention, she said that she is going to limit herself strictly to what the GN speaks about, now she is enlarging the debate and she is not allowed to enlarge the debate.

**The Deputy Speaker:** I have taken note of the observation of hon. Gayan. Hon. Mrs Perraud, I would invite you to restrict yourself on the schedule and to restrict yourself to GN 52 of 2017.

**Mrs Perraud:** Thank you very much for your ruling.

*(Interruptions)*

M. le président, l’historique est important pour comprendre pourquoi les critères de GN 52 sont contestés. The corporate social responsibility system was introduced in the Income Tax Act in 2009. Profitable companies were required to give 2% of their book profits to CSR activities. The companies could carry the activities themselves directly or through:

- (a) an approved NGO;
- (b) a special purpose vehicle such as a foundation or
- (c) a corporate partner.

The CSR activities were carried out under approved programs as per published guidelines. At that time in 2009, the CSR Committee approved six areas of intervention. Now we have 10+1 areas of intervention. Then, at that time, detailed guidelines were worked out by the Committee for each area of intervention. Each area of intervention was subdivided into 21 categories. In 2010, the Prime Minister, who was then Minister of Finance, brought changes to the CSR. 50% of the CSR resources were used to focus on three national programmes -

- 1. social housing;
- 2. welfare of children from vulnerable groups, and
- 3. eradication of absolute poverty.

In 2012, the basis of the 2% CSR contribution was modified to profits chargeable to income tax as compared to book profits. Another priority area, the prevention of non-communicable disease, was added. In 2015, all CSR guidelines were removed and companies were allowed to use their CSR funds according to their own CSR framework. For the Budget 2016/2017, a new CSR framework was announced.

The proposed framework was -

- (a) setting up of a national CSR foundation under the aegis of the Ministry of Social Integration and Economic Empowerment;
- (b) a new set of priority areas of intervention, and
- (c) CSR contribution.

With the changes brought last year, businesses are required to contribute through MRA at least 50% of their CSR money to the new national CSR foundation at the start of their next accounting year. The rate of contribution will be changed to, at least, 75% in the following year.

Mr Deputy Speaker, I want to dwell on the guidelines, it is about the guidelines we are talking today. The new guidelines present ten priority areas -



1. socio-economic development as such means of poverty alleviation;
2. educational support and training;
3. social housing;
4. supporting persons with disabilities;
5. dealing with health problems;
6. family protection including gender-based violence;
7. leisure and sports;
8. environmental and sustainable development;
9. peace and nation building, and
10. road safety and security.

Each priority is divided in fields of intervention. When we look both at the priority areas and the field of intervention, I must say that we are disappointed, we are alarmed to see that nowhere it is mentioned substance abuse. Nothing on rehabilitation and integration of the victims of substance abuse. No, nothing at all! Among the ten priority areas, we have one which is dealing with health problems. We all know that there is so much to do in this sector. NGOs working in the field of rehabilitation and integration of victims of substance abuse have a great challenge. They need lots of resources - financial and in terms of manpower. They need to have support, to be helped.

M. le président, vous conviendrez avec moi que c'est difficile de travailler avec l'être humain, de le pétrir, de le former, de le restaurer, de le réhabiliter, et c'est le travail que font toutes ces ONG qui œuvrent, qui luttent pour la réhabilitation des victimes de toutes sortes de drogues ; des drogues dures, de la drogue synthétique, de l'alcool, et de la cigarette.

Mr Deputy Speaker, Sir, while preparing my speech, I took time to talk to NGOs, to listen to what they have to say about these guidelines. They said that they wished that rehabilitation and integration of victims of substance abuse were among the fields of intervention because the fight against drugs is also the fight for the rehabilitation and integration of victims of substance abuse. It should have been the priority of this Government. The NGOs mean that the criteria 'rehabilitation and integration of victims of

substance abuse’ should have been as criteria on its own and not found, as we can see, in the charter. The charter is not the list of the set of criteria.

M. le président, l’action doit suivre les paroles. Effectivement, lors du discours sur le budget, le Premier ministre a mentionné que l’argent du *CSR* serait dirigé pour aider ceux qui sont victimes de drogue, mais entre les discours, les paroles et l’action dans le concret, les critères du *CSR*, il y a un fossé. M. le président, puisqu’on a pris la peine de détailler les secteurs d’intervention de chaque *priority area*, la volonté politique aurait dû primer en ce qui concerne la lutte contre la drogue.

In 2011, in the guidelines on Corporate Social Responsibility, we can read, under the priority area ‘health’, the following fields of intervention -

- communicable diseases;
- non-communicable diseases;
- maternal and neonatal care;
- nutrition;
- hygiene and sanitation, and
- substance abuse.

So, in this document, we can find the set of criteria for 2011. It is written ‘substance abuse’. For substance abuse, it is further detailed as the, and I quote –

“Rehabilitation and integration of the victims of substance abuse”

Mr Deputy Speaker, Sir, when we compare the guidelines of *CSR* in 2011 and the new guidelines for 2017, which can be read as ‘priority area dealing with health problems’, the fields of intervention for this priority area are –

- projects on awareness, prevention, testing and treatment of communicable & non-communicable diseases;
- support to persons suffering from communicable & non-communicable diseases;
- support to people suffering from mental disorders.

*Et c’est tout!*

M. le président, les ONG qui se sont engagées dans la réhabilitation et la réinsertion des drogues sont inquiètes. Elles ont des doutes quant au support, à l’aide, et l’engagement du *CSR* pour les aider à mener à bien leur combat contre la drogue. Elles se posent la question :

pourquoi, en 2011, '*substance abuse*' est figuré comme un des secteurs d'intervention *on its own* et, en 2017, aucune mention n'y est faite ? Donc, pourquoi ?

Mr Deputy Speaker, Sir, this question is one of the answers to the question: why this motion of disallowance of GN 52? The hon. Prime Minister, Minister of Finance and Economic Development will have the opportunity to answer, through the other Ministers who will intervene later, this query from the NGOs and from the Opposition.

M. le président, nous tous, les deux côtés de la Chambre, l'opposition et les membres du gouvernement, nous concédons que l'heure est grave, que la situation est alarmante, et vraiment alarmante, que la drogue fait ravage dans la société au sein des familles, que le nombre de victimes est en hausse. Nous constatons aussi l'impuissance des ONG qui luttent contre ce mal de la société. Pour compliquer encore davantage la situation, il y a de nos jours la drogue synthétique, facile à s'en procurer, pas cher. Elle séduit, elle envoûte, mais elle tue, et elle tue par centaines. Elle est la nouvelle reine qui dicte ses lois. On l'appelle '*Strawberry*', '*pelouse verte*', '*Batte-dans-la-tête*', '*Také teigne*', '*114*', '*D 4*', '*Rambo*'.

La composition de la drogue synthétique est complexe. Elle est méconnue. Elle change. Comment soigner les victimes de ces drogues-là ? Comment les réhabiliter ? Comment les aider à réintégrer la société ? La tâche des ONG est grande. Le défi qui se présente devant elles est énorme. Ces ONG ont besoin plus que jamais d'être aidées, d'être soutenues, d'être écoutées, mais surtout d'être entendues. C'est la raison pour laquelle, M. le président, vous comprendrez pourquoi nous, de ce côté de la Chambre, ainsi que les ONG, nous trouvons la situation alarmante lorsque nous ne voyons pas comme secteur d'intervention la réhabilitation et l'intégration des victimes de drogue.

Autre secteur qui ne figure pas sur la liste des secteurs d'intervention et qui est tout aussi important, qui joue un rôle clé dans la lutte contre la pauvreté, est le secteur des ONG qui œuvrent pour la réhabilitation des détenus et des ex-détenus et leurs familles.

Once again, Mr Deputy Speaker, Sir, I will refer to the guidelines on CSR in 2011 where, for the priority area 'socioeconomic development', we have as field of intervention 'rehabilitation and integration of ex-detainees.' But in the new guidelines for 2017, we find the same priority area 'socioeconomic development' as a means of poverty alleviation. However, there is no mention of rehabilitation and integration of ex-detainees as one of the fields of intervention.

Mr Deputy Speaker, Sir, we all know that rehabilitation and integration of ex-detainees are very important and vital if we want to reduce the risk of seeing the ex-detainees going back to prison.

M. le président, le regard de la société, le poids de ce regard qui juge, qui enferme, qui détruit les anciens prisonniers. Souvent les ex-détenus disent qu'ils ont purgé leur peine mais la société les a condamnés à vie. Nous savons tous que c'est un parcours de combattant pour un ancien prisonnier de trouver du travail. Le problème que représente le certificat de caractère et une solution n'est toujours pas trouvé.

M. le président, les ONG qui encadrent, soutiennent et aident les ex-détenus à se mettre debout et à affronter la société ont eux aussi besoin de support pour pouvoir faire ce travail. Ils doivent pouvoir s'engager auprès des exclus de la société en toute quiétude sans passer la majeure partie de leur temps et leur énergie à chercher des sponsors.

Another example, Mr Deputy Speaker, Sir, is the awareness and prevention against teenage pregnancy which we cannot find in the new set of criteria for 2017.

M. le président, je pourrais rester là et énumérer encore de nombreux manquements à cette nouvelle liste de critères. Je ne le ferai pas car...

*(Interruptions)*

... l'aurore se pointe...

*(Interruptions)*

...la fatigue se lit sur les visages - et il est 1 heure 20 du matin. J'ai fait mon point avec ces trois exemples : la réhabilitation et la réinsertion des victimes de drogue, la réhabilitation et la réinsertion des ex-détenus et la prévention contre la grossesse précoce et l'accompagnement et l'encadrement des filles mères.

Ces exemples démontrent soit -

- (i) ces trois problèmes de société que j'ai cité plus tôt ne sont pas la priorité du gouvernement puisqu'ils ne se trouvent pas sur la liste mais cachés dans le *Charter* ;
- (ii) que le gouvernement ne connaisse pas la réalité sur le terrain ; ou

- (iii) qu'il n'y a pas eu de dialogue, de concertation, de consultation avec la société civile et le *National CSR Foundation*.

Mr Deputy Speaker, Sir, when the Prime Minister, Minister of Finance and Economic Development said in his Budget Speech, and I quote –

“We have, therefore, decided to revisit the use of the CSR funds to ensure greater transparency and better outcomes.”

We find that there is lack of transparency in this new set of CSR guidelines. Mr Deputy Speaker, Sir, we understand why the NGOs are feeling uncomfortable and they are worried.

Nous savons le grand désordre et le gros problème que cela a causé lorsque l'ancien ministre des Finances, l'honorable Lutchmeenaraidoo, avait enlevé tous les *guidelines*. Maintenant que le nouveau ministre des Finances, le Premier ministre, a décidé de remettre les *guidelines*, il faut en ce faisant qu'il puisse rassurer les ONG et la population toute entière.

M. le président, ce que nous avons actuellement comme *guidelines* est sommaire, vague et mal préparé pour ne pas dire bâclé. Comme député responsable, avant mon discours j'ai fait des recherches. J'ai parlé à beaucoup d'ONG, de compagnies, de bénéficiaires et aujourd'hui je fais écho de leurs inquiétudes et je me fais porte-parole de tous ceux qui ont des doutes et qui sont inquiets quant au soutien qu'ils attendent et qu'ils ont besoin pour continuer leur lutte contre la pauvreté.

Malheureusement, M. le président, je n'ai pas pu parler à Caritas mais nous connaissons tous le sérieux, le professionnalisme et le travail formidable qu'abat Caritas depuis des années auprès des pauvres. Caritas est une référence dans le monde des ONG. Mais, M. le président, je vais citer ce que la secrétaire générale de Caritas a à dire sur la question, Madame Patricia Adèle, dans *Le Mauricien* du 27 avril 2017. Je cite –

« Malheureusement, pour la deuxième fois cette année, nous nous retrouvons avec un communiqué de la *National CSR Foundation*, sans même avoir eu l'occasion de rencontrer les responsables et d'exposer nos réalités. »

Elle poursuit –

« J'ai l'impression que les choses ont été faites à la va-vite, sans être trop sûr dans quelle direction on va, parce qu'il y a eu une question à l'Assemblée nationale. »

La fameuse PNQ au ministre de l'Intégration sociale. La secrétaire de Caritas poursuit –

« Imaginez : nous avons attendu deux ans pour avoir les *guidelines* de la CSR et là, un communiqué vient nous dire qu'il faut soumettre des projets en deux semaines ! »

M. le président, j'ai dit plutôt que les *guidelines* ne reflètent pas la situation sur le terrain. C'est un mauvais départ pour le *National CSR Foundation* et je ne suis pas la seule à être de cet avis. Je cite toujours la secrétaire de Caritas qui, et je cite –

« (...) regrette également que la *National CSR Foundation* n'ait pas pris en considération les réalités du terrain avant de lancer son appel à projets. »

M. le président, on utilise l'expression en catimini que les choses ont été faites à la va-vite, manque de vision, manque de volonté politique et manque de professionnalisme. C'est ce qui se dit dans le milieu.

Mr Deputy Speaker, Sir, one of the answers to the question why this motion of disallowance of GN No. 52 is the way in which the guidelines have been set. The guidelines, the priority areas and the fields of intervention are very important because the first assessment criterion for CSR project is 'relevance'. So, we can find in this paper, we have a list of seven so, the first one is relevance. A project submitted by an NGO will be assessed by its relevance. Does the proposed CSR project fall within the ten priority areas and approved fields of intervention? This is the question which is put. This paper has been downloaded from the website of the National CSR Foundation. Mr Deputy Speaker, Sir, as demonstrated earlier many NGOs will not be eligible for CSR Funds because they do not fall into the list of priority areas and/or fields of intervention.

Furthermore, it is imperative that the National CSR Foundation provides a project template to NGOs to guide them on the manner in which they have to present their projects and requests for funds based on the guidelines recently published. Once the NGOs have submitted their projects, the National CSR Foundation should publish the selection criteria for allocation of funds based on a weightage system linked to the guidelines which would define clearly the criteria used to select the project.

Mr Deputy Speaker, Sir, you will remember that at the beginning of my intervention, I mentioned that there are ten priority areas of intervention plus one. Now, I will dwell on this particular one.

M. le président, lorsque nous lisons attentivement cette liste, il y a une ligne, une petite ligne qui fâche, une ligne qui nous interpelle et surtout qui suscite interrogations et doutes.

After having listed the 10 priority areas of intervention, we can read this line, I quote – ‘such other areas as the Minister may determine’.

*(Interruptions)*

I repeat - such other areas as the Minister may determine.

Mr Deputy Speaker, the National CSR Foundation is expected to control about 400 million in 2017, representing 50% of total CSR funds, and around 600 million in 2018, representing 75% in total CSR Funds. This cannot be left under the discretion of the Minister. These funds are supposed to be channelled to beneficiaries and sectors where the Government is not efficient and where NGOs and the civil society have an important role to play. What if, in the future, there are major costs overruns, for example on a big project of the Government, let us say, for example, Metro Express or the Sports Complex at Côte d’Or and the Minister decides that he will allocate funds to these projects through the National CSR Foundation.

*(Interruptions)*

It is clearly...

*(Interruptions)*

*Zot konn li plis ki nu?*

*(Interruptions)*

It is clearly spelled out, I quote - ‘such other areas as the Minister may determine’. Contribution to any Government/Department or parastatal body is not allowed, but what if the Minister decides to allocate funds to a private government-owned company?

*(Interruptions)*

*Vaut mieux prévenir que guérir.* Even in the National CSR Foundation Charter 2017, we can read, I quote -

“The Council is entitled to define and be guided by any such codes, policies, explanatory notes and any other internal regulations to further detail

programmes and projects qualifying under each of the above-listed priority areas.”

Mr Deputy Speaker, the Minister has too much power; it seems that he wants to control everything. The CSR is not a tax. The spirit of CSR is to allow the companies to decide and control where the money should be spent with the Government acting as a regulator through imposing guidelines and monetary use of funds. Already this Government is going against the spirit of CSR by controlling 50% to 75% of the funds, but, on the top of that, the Minister can decide, at his discretion, where to allocate the money.

M. le président, nous, l’opposition, le monde associatif, les ONG, nous trouvons que cette clause est scandaleuse. C’est pour cela qu’aujourd’hui nous avons devant cette Chambre cette motion d’annulation.

Nous réclamons que cette clause soit enlevée de la liste des *guidelines* pour éviter toute interférence politique, mauvaise allocation de fonds CSR et toute népotisme.

Donc, M. le président, nous réclamons que le pouvoir que le ministre s’est octroyé lui soit retiré.

Pour conclure, M. le président, le constat est que les *guidelines* ont été faits à la va-vite sans prendre en compte les réalités du terrain et le plus grave avec un pouvoir accrue au ministre et une politisation du CSR. Les nouveaux *guidelines* et le *National CSR Foundation* sont loin d’être transparents et innovateurs comme l’a fait croire le ministre des Finances, le Premier ministre.

L’objectif de cette motion d’annulation est de demander qu’elle soit annulée bien sûr, mais aussi de mettre le gouvernement devant sa responsabilité et de rassurer les ONG et la population toute entière sur son intention vis-à-vis de certains ONG qu’en à leur avenir.

Merci beaucoup.

**Mr Abbas Mamode rose and seconded.**

**The Deputy Speaker:** Hon. Wong Yen Cheong!

(1.34 a.m.)

**The Minister of Social Integration and Economic Empowerment (Mr A. Wong Yen Cheong):** Mr Deputy Speaker, the Corporate Social Responsibility system was first introduced under the Income Tax Act in 2009, whereby companies were required to set aside



2% of the profit for carrying out a CRS activity under approved programmes according to the published guidelines.

In July 2015, all CSR guidelines were removed and companies were allowed to use their CSR funds according to their own CSR framework. In the Budget Speech 2016/2017, a new CSR Framework was announced and includes among others the setting up of a National CSR Foundation.

At paragraphs 340 and 341 of that Budget Speech, the Minister of Finance announced six priorities areas at that moment. These were -

- (i) poverty alleviation;
- (ii) educational support;
- (iii) social housing;
- (iv) supporting persons with severe disabilities;
- (v) dealing with health problems resulting from substance abuse and poor sanitation;
- (vi) family protection.

However, Mr Deputy Speaker, in the light of representations made from various quarters, we agreed that there were several other factors which were impacting on the quality of life of poor Mauritian people. We, therefore, decided, after consultation with the Ministry of Finance and Economic Development, to enlarge the basket of interventions so that we could intervene in the four additional priority areas which are -

- (i) leisure and sports;
- (ii) environment and sustainable development;
- (iii) peace and nation building;
- (iv) road safety and security.

We also ensure that CSR Funds are used to target individuals and families who are really in need of supports. This is why the priority areas specified in GN 52 of 2017 target families and individuals –

- (i) registered under the Social Register of Mauritius, and
- (ii) vulnerable groups under the Charter of National CSR Foundation.

Mr Deputy Speaker, beneficiaries under the SRM are those who are living on the edge of the poverty line. My Ministry and the National Empowerment Foundation are striving to provide different types of support to uplift these families so that they grow, climb up to the societal ladder and get empowered.

Mr Deputy Speaker, we also have many families who are not eligible for support under the SRM, but who still cannot fully enjoy the benefits that the country can provide because of their vulnerability. I am satisfied with the definition of the term 'vulnerable groups' that is given in the National CSR Foundation Charter.

Vulnerable groups are defined as -

- (i) children and/or adults living below the poverty line, as defined by Government;
- (ii) children and/or adults living below the absolute poverty line, as define by the World Bank;
- (iv) children and/or adults with disabilities or suffering from a severe disease;
- (iv) abused children and/or adults;
- (v) neglected, abandoned children and orphans;
- (vi) street children, including children who live and sleep in the street and secondly children who are in the streets in the day but sleep in the family home;
- (vii) teenage mothers;
- (viii) children with parents in prison;
- (ix) children in conflict with the law;
- (x) out of school and illiterate children and illiterate adults;
- (xi) and/or adults suffering from substance abuse, and
- (xii) such other stigmatised, discriminated and most at risk groups as determined by the founder.

Section 3.1 (a) of the Charter also stipulates that advocacy, capacity building and research of fields to be considered as cross-cutting all priority areas and I feel that it is an

important aspect to consider since we need highly trained professionals to help us both on Government side and in the non-State actor sectors in the fight against poverty.

Moreover, the beneficiaries of the CSR projects and programmes would cover both individuals and families registered under the SRM and the vulnerable groups as defined therein. It should also be noted that according to the Finance (Miscellaneous Provisions) Act 2016, CSR companies should remit at least 50 per cent of funds to the Mauritius Revenue Authority for CSR funds set up on or after 01 January 2017 and at least 75 per cent for CSR funds set up on or after 01 January 2018.

Mr Deputy Speaker, Sir, I would like to point out that the amendment to the Income Tax Act through GN No. 52 of 2017 has been done after consultation with the main actors involved in the fight against poverty. The Ministry of Finance and Economic Development discussed with stakeholders concerned, namely the National CSR Foundation, the MRA, Business Mauritius and the MACOSS following which it was decided to amend the tenth Schedule so as to align the priority areas of intervention and non-qualifying activities as specified in the Charter.

Mr Deputy Speaker, Sir, in the quest for efficiency and prevention of wastage of funds and with a view to ensure that each cent spent from CSR money reaches the targeted population, a list of activities and contributions which do not qualify under the CSR has been drawn. These are -

- (i) any activity discriminating on the basis of race, place of origin, political opinion, colour, creed or sex;
- (ii) any activity promoting alcohol, cigarettes or gambling;
- (iii) any activity targeting shareholders, senior staff or their family;
- (iv) contribution to any Government department or parastatal body;
- (v) contribution to natural disaster mitigation programme;
- (vi) contribution to political or trade union activities;
- (vii) contribution to religious or spiritual activities;
- (viii) sponsorship for the purpose of marketing for companies, and
- (ix) staff welfare and training of employees.

Mr Deputy Speaker, Sir, it is clear that in the evolution of the face of poverty, a responsible Government needs to adapt its policies and instruments and this is why it was important and even vital to bring about these changes so as to be able to better tackle poverty and integrate as many individuals and families in the mainstream society.

Mr Deputy Speaker, Sir, I would fail in my duty if I omit to pay tribute to all those people who are engaging themselves mostly on voluntary basis in NGOs to help their fellow brothers and sisters who are having difficulties in life. I would like to pay sincere homage to these people and thank them for their generous help and presence *pour les plus démunis*.

Unfortunately, we have met with some cases where some irregularities were found. NGOs will have to be accountable for the funds allocated to them and for the purpose for which they were allocated. An independent evaluation team at the Foundation would evaluate all the projects submitted for funding by the NGOs based on objective and transparent criteria. There would be proper follow-up and monitoring of projects for which funds have been provided to the NGOs.

Mr Deputy Speaker, Sir, *la lutte contre la pauvreté est un combat très dur et de longue haleine. La pauvreté adopte des figures changeantes au fil du temps et il serait déraisonnable pour nous tous, gouvernement, compagnies et ONG de ne pas nous adapter aux changements et de ne pas nous offrir les armes qu'il nous faut pour ce combat.*

These changes are setting the scene for more NGOs to join in and bring their contribution to end the scourge of poverty. Before I end up, Mr Deputy Speaker, Sir, I can assure that there are many NGOs that came personally to meet me in my office, I have been meeting them nearly every day. I don't know which one did not come. Like Caritas, for example, but even the Cardinal met me, and we explained about how the Foundation is working. So, I really can't understand. Of course, there are 10,000 foundations that are being registered I believe at the Register and there are like 800 that are being recognised. But, for sure since February I have not been meeting all of them but there must be some that have gone to see the Opposition to state that I have not seen them but they should have come and see me. Even Members of the Opposition came to see me to explain to them about the CSR Foundation. But, unfortunately, they were not members of the PMSD for obvious reasons!

*(Interruptions)*

They can come!

*(Interruptions)*

Anyway, I don't want to make it long. To conclude, Mr Deputy Speaker, Sir, I would like to reassure the House that the National CSR Foundation would operate in the most transparent and objective manner.

Thank you, Mr Deputy Speaker, Sir.

**The Deputy Speaker:** Hon. Ameer Meea!

(1.46 a.m.)

**Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East):** Thank you, Mr Deputy Speaker, Sir. The Corporate Social Responsibility (CSR) was introduced in the Income Tax Act 2009 whereby companies were required to devote 2 per cent of their profits for carrying out CSR activities under approved programmes as per established guidelines. In the Budget Speech 2010, mention was made to the effect that all profitable firms are required to either spend 2 per cent of their profits on CSR activities or transfer the amount not spent to Government. The law provided and it was therefore mandatory that every company shall use its CSR fund to implement an approved programme by the CSR Committee or an approved programme under the National Empowerment Foundation or finance an approved NGO. Those companies were also encouraged to run their own programmes through the approved NGOs and corporate partners.

Insofar as the coverage of the CSR activities is concerned the CSR Committee had already published in October 2009 the operational guidelines for use by companies. In his speech in November 2010, at paragraph 333, the then Minister of Finance of the previous Government, now he is the Prime Minister, hon. Pravind Jugnauth, stated the following and I quote –

‘To this end, we are reviewing the utilisation of CSR. Our aim is to focus on the most urgent problems so as to maximise the social benefits and ensure national coverage.

We will, therefore, use 50% of the CSR resources to focus on the three national programmes. Government will add to the CSR resources to implement these three programmes which are –

- social housing;
- welfare of children for vulnerable groups, and
- eradication of absolute poverty.

There was an outcry by the NGOs who did not fall within the three areas of priority. I must say that the CSR system was put in place in 2009 with the objective to address absolute poverty in the country. What happened after the general election of 2014? We had a new Government, a new Minister of Finance with a new vision. He purely and simply abolished all CSR guidelines. In paragraph 178, he stated –

“I have given deep thoughts to the matter, and I have decided to review the CSR system in-depth. I have come to the conclusion that the preferred alternative is to let companies decide on how best to fulfil their social responsibility and obligation in a most effective manner. Companies, thereon, will be free to allocate the 2 per cent of CSR according to their own set of priorities.”

Mr Deputy Speaker, Sir, there was an even bigger outcry among NGOs because we had travelled from one extreme to another. Instead of revisiting the CSR guidelines, the then hon. Minister of Finance and Economic Development, that is, hon. Lutchmeenaraidoo, had left it entirely up to the companies to decide how to spend the 2% of CSR fund. Of course, what was to happen happened. There was a total lack of transparency as to how the CSR funds were allocated. Once again, the NGOs were the ones that suffered the most. The then Minister

of Finance and Economic Development, hon. Lutchmeenaraidoo, stated to the House while answering a PQ that –

“The CSR system has become too rigid and cumbersome with its complicated set of guidelines.”

He stated that –

“It was difficult for companies to allocate funds to eligible NGOs.”

Accordingly, he removed all the CSR guidelines, but the obligation remains under the Income Tax Act for companies to allocate 2% of their profit after tax towards CSR. Thus, in July 2015, all CSR guidelines were removed and companies were allowed to use their CSR funds according to their own CSR problems. I must say, Mr Deputy Speaker, Sir, it was at this time that all the problems started since all guidelines have been totally removed.

Answering a PQ put by myself, B/600, the then Finance Minister, hon. Lutchmeenaraidoo, stated to the House -

“In my mind, the project is quite simple in the sense that we are giving the freedom now to companies to use their funds as they wish to. We can’t direct them to use their funds. We have to remind the House that the 2% is above corporate tax of 15%. It is their money and it is for them to decide how they spend it, whether it be in the form of *parrainage* or whether it be by subsidising or helping NGOs.”

Consequently, he introduced the concept of *parrainage*. As I explained earlier when the CSR was introduced there were guidelines. Then, the first Finance Minister of this Government removed all guidelines and he came up gradually with the concept of *parrainage* whereby a company will take under its wing a specific forsaken locality and accepting to take responsibility for its inhabitants and all that comes along.

Mr Deputy Speaker, Sir, since this Government took office there have been three Finance Ministers and each time the CSR guidelines have been constantly changed. The ones who are paying the price of these changes are surely the poor and NGOs. As I have stated earlier, the objective of CSR was poverty alleviation. I will come later on with the new amendments, with the new Tenth Schedule whereby there has been the introduction of other areas of priority.

As I said, the Finance Minister, in his first Budget Speech, stated that there are 38 *poches de pauvreté* and that each *poche de pauvreté* would be taken care by a specific company. I often take as example, Quartier Shell, which is found in my Constituency, in Roche Bois. How many times I have asked the hon. Minister of Finance and Economic Development: ‘Give me the name of the company which is taking care of Quartier Shell.’ Up to now, I have never received an answer. You know what happened for *parrainage*. Not a single rupee has been spent in any *cit * and in the example I just gave to the House, in Quartier Shell. Not a single rupee has been spent in Roche Bois, in Quartier Shell which is found in my constituency. As I said earlier, it is the poor people and also the NGOs who are paying the price.

Then, later on, the then Finance Minister came with another concept. He came with the concept of Lovebridge. I don’t know whether he was in love, so he came with this concept of Lovebridge. In relation to Lovebridge, he stated that it was in line with the antipoverty Marshall Plan - that was announced by the then Prime Minister during elaborate campaign - also that the Lovebridge concept would be implemented under the national *parrainage* project. In this respect, a private company was incorporated. Government has

pledged to provide an amount of Rs100 m. to Lovebridge from the unspent CSR funds remitted to MRA. He also mentioned: ‘We are confident that the private sector will contribute its fair share through the Love Bridge project to empower the poor and eradicate absolute poverty in our country.’

In 2016, answering a PQ put by myself, B/454, the then Prime Minister and also Finance Minister at his time - because the previous Finance Minister got carried away with the gold scandal, so he was no longer Finance Minister - stated at a reply to my PQ –

“(...) in the context of the National Parrainage Programme, an amount of Rs100 m. has been earmarked as one-off grant to support the Lovebridge ‘*parrainage*’ project, out of the amount of Rs126 m. of unspent CSR money collected from the private sector by the MRA during the year 2015. The amount was disbursed on 26 January 2016.”

The hon. Prime Minister at a reply to my question stated to the House –

“I am informed that the private sector, whose contribution is expected to be above that of Government (...).”

That is, above the Rs100 m. that has been contributed by Government in Lovebridge project.

“(...) has so far mainly contributed in kind, in terms of office premises and staff equivalent to a sum of Rs2 m.”

Only a sum of Rs2 m. has been injected by the private sector in the Lovebridge project, and the more so in kind! Do you know what the then hon. Minister of Finance and Economic Development, Mr Lutchmeenaraidoo - I recall the words that he used - said in reply to a PNQ here in the House?

“I am very excited to see this reaction from the private sector to the request of Government.”

Mr Deputy Speaker, Sir, we have seen how this excitement has led us to only Rs2 m. contribution from the private sector and the more so in in kind. Maybe he was excited by the benefit in kind that Lovebridge got from the private sector and the more so only Rs2 m.!

He also mentioned that the Lovebridge Company would submit annual progress report, bi-annual progress report, and audited annual report with more details on this activity and programme. Mr Deputy Speaker, Sir, there has been neither any bi-annual report, annual



report nor any progress report. Nothing has been done! Nothing has been tabled in the House! We have so many times asked PQs. For all this sum of Rs100 m., we are talking about public funds, taxpayers' money, with no accountability, with no transparency. And for a Government that boasts itself about good governance, today, we have Rs100 m. injected in a company, with no transparency, Mr Deputy Speaker, Sir.

I have explained to the House how the CSR has evolved, through this mandate of this Government, with guidelines, removal of guidelines, then *parrainage*, and after that Lovebridge. Now, we are given a new set of priority areas of intervention.

Mr Deputy Speaker, Sir, we do not deny the fact that these targeted areas are important, but we cannot understand, and what we dispute is the fact that there are some areas of intervention such as environment and sustainable development, peace and nation-building, field of advocacy, capacity building, research for consideration as crosscutting throughout the priority areas of intervention. I must say that I do not understand what that means. The last one is for me the biggest joke, and it is a very bad joke. Road safety and security! What does road safety and security have to do with CSR, the very essence of which is to combat absolute poverty? As if it is not sufficient for Government to pump billions out of the pockets of consumers on a litre of mogas and diesel, now we have to take CSR to fund road safety! Where does this come from?

This is a new set of priority, and this Government, through this Regulation, wants to use the money of CSR. There is also the last one, that is, the 11<sup>th</sup> one, namely 'such other areas as the Minister may determine.' I do not want to be nasty on this one, but I will just give an example. Again, I do not want to be personal. But, if tomorrow, the hon. Minister just dreams about making diving a CSR activity, he has the right to do it!

*(Interruptions)*

He has the right to do it! He has the power to do it! I do not want to get personal.

*(Interruptions)*

But he can do it! He has the power to do it ...

*(Interruptions)*

**The Deputy Speaker:** Order!

**Mr Ameer Meea:** ...because it says, “such other areas as the Minister may determine.”

*(Interruptions)*

**The Deputy Speaker:** Order!

**Mr Ameer Meea:** So, Mr Deputy Speaker, Sir, as I mentioned, in my opinion, there are certain priority areas of intervention which should not have been in this Tenth Schedule, and emphasis should have been laid upon the fight against absolute poverty.

Let me come to a PQ, and I must say this has gone unnoticed until now. In fact, this question was again put by me because I was always very interested to everything that was related to the CSR. It was PQ B/766 of November 2015 -

“(...) in regard to the proposed Free WIFI Hotspots Project, he will, for the benefit of the House, obtain from the Mauritius Telecom, information as to where matters stand as to the implementation thereof, indicating –

(...)(b) if it will be funded under the Corporate Social Responsibility of the company.”

Mr Deputy Speaker, Sir, as I said earlier, this has gone unnoticed. Do you know what the reply of the hon. Minister was? He stated that this project, that is, the project of providing Wi-Fi service from Mauritius Telecom, is being funded under the CSR of Mauritius Telecom, Mr Deputy Speaker, Sir. This Wi-Fi hotspot project was in the electoral manifesto of ‘*l’Alliance Lepep*’. It was never mentioned that this will be financed out of the CSR. Now, we are given to understand that Mauritius Telecom is using its CSR to fund a Government project. This is exactly the contrary. This is exactly contrary to the essence of CSR when it was introduced. And now I am trying to reconcile where we can plug in this Wi-Fi hotspot in the priority areas of intervention. I am trying! I am trying, because there are 11 areas of interventions. Where does it fit in? Maybe, it can fit in in ‘peace and nation-building’.

So, again, I have just given an example where the CSR money, which is supposed to go to the poor, for alleviation of poverty, is not going where it should be going. Today, we are using it to provide Wi-Fi to the whole population, Mr Deputy Speaker, Sir.

Mr Deputy Speaker, Sir, in relation to the CSR Foundation, what did it do with the CSR funds collected so far? Answering a PNQ on 11 April 2017, the hon. Minister of Social Integration and Economic Empowerment stated that he expected the amount to be transferred

to the National CSR Foundation for the year 2017 would be around Rs407 m. The hon. Minister, I think, would gain in listening to what I am saying because it directly concerns him. So, he stated that an amount of Rs407m. is expected to be transferred to the National CSR Foundation, and also, as I mentioned, a sum of Rs407 m. is expected to be collected. But what is the amount that has been disbursed to NGOs for this sum of Rs407 m.? Today, itself, there was a PQ in the House. Up to now, there has been zero amount. There has not been a single cent that has been disbursed to NGOs in relation to the amount that is expected to receive this year.

And answering also to a PQ by myself on 04 April, the same hon. Minister stated that 280 NGOs have applied to be registered with the CSR Foundation and also he mentioned the figure of Rs407 m. that will be collected in 2017. Rs102 m. have already been collected as at 03 March 2017 and 200 NGOs have been requesting money. Up to now, as I said earlier, there has been zero disbursement!

As a supplementary question this morning, I asked the hon. Minister since the NGO has not received a single cent, there has been a proposal from the Leader of the Opposition that the Members of the Board of the CSR Foundation, including its Chairman, that they should not be receiving any salary because the NGO has not received a single rupee up to now, how can they sit on the Board and receive money for a Fund which, supposedly, goes towards poverty alleviation? So, Mr Deputy Speaker, Sir...

*(Interruptions)*

**The Deputy Speaker:** Order!

*(Interruptions)*

Order!

*(Interruptions)*

Hon. Rutnah!

*(Interruptions)*

Order!

**Mr Ameer Meea:** So, Mr Deputy Speaker, Sir...

*(Interruptions)*

**The Deputy Speaker:** Hon. Abbas Mamode!

**Mr Ameer Meea:** Mr Deputy Speaker, in view of this catastrophic situation and in view of the experience that we have all learned about what has happened since this CSR project has been implemented by the former Minister of Finance and Economic Development, removing of guidelines, *parainnage*, Lovebridge, I think it is high time for this Government to come up with a legal framework for the sake of transparency so that we know that there is a piece of legislation because there is no...

*(Interruptions)*

**The Deputy Speaker:** Order!

**Mr Ameer Meea:** ...legislation in relation to the new CSR Foundation so that the activities that the CSR can look after and also that there is more clarity in everything that is happening in this domain and the CSR Fund goes directly where it needs to go. I am not done. I would like to say a few words now in French so that maybe if...

*(Interruptions)*

Okay! Okay!

*(Interruptions)*

**The Deputy Speaker:** Order!

**Mr Ameer Meea:** Okay! Merci!

*(Interruptions)*

Okay! Merci!

M. le président, jamais une décision gouvernementale n'aurait suscité autant d'interrogation. Pas moins d'une trentaine de questions parlementaires et de *PNQs* ont été posées durant ces dernières années en relation avec le *CSR*. Pourtant, à la base, la responsabilité des entreprises, communément appelées *Corporate Social Responsibility* n'est pas un concept compliqué. Il s'agit simplement d'un mécanisme pour s'assurer que les entreprises intègrent les préoccupations sociales, environnementales, économiques dans leurs activités. Cependant, sa mise en application a soulevé plus de problèmes qu'il en a résolu.

*(Interruptions)*

Non, M. le président...

*(Interruptions)*

M. le président, c'est vraiment un drame que certains ministres n'arrivent pas à comprendre l'urgence de la situation et ils sont en train de passer des commentaires à droite, à gauche. Et ajouter à cela une cohérence entre les différents ministres des Finances de ce même gouvernement – trois ministres des Finances en deux ans - et surtout sur les différents ministres qui étaient responsables depuis sa mise en application.

Au final, nous avons aujourd'hui un système décrié tant par les entreprises que par les ONG non-gouvernementales, donc les ONG. Un système qui ne répond plus l'objectif principal qui était de responsabiliser les entreprises d'être partie prenante et participer directement dans les développements socio-économiques du pays.

La motion d'annulation de l'honorable Madame Aurore Perraud nous permet de réfléchir sur les types de *CSR* qui nous permettront d'atteindre cet objectif et de responsabiliser les entreprises à travers une participation active, directe dans des projets socio-économiques.

Merci, M. le président.

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

(2.14 a.m.)

**The Minister of Arts and Culture (Mr P. Roopun):** Thank you, Mr Deputy Speaker, Sir. At this early hour of the morning, I will try not to dwell too long on this subject. But I should, first, state that I will try to limit myself as the hon. lady who started with the motion by going strictly on the issue over which we have to debate today. I won't make a history about the *CSR*; I won't consider this debate as an extra time for supplementary on a PQ which was put this morning.

I want, first of all, to explain to the House the purport of a Motion of Disallowance. We have GN No. 52 of 2017. Assumingly, if this Motion is passed, what would happen? This piece of legislation will disappear, and we are going to be left with what? Not what was here in 2009 or 2011, but what we had in the Finance (Miscellaneous Provisions) Act of 2016. This is what we are going to be back to. Nobody, up till now, mentioned this part of the legislation which has been amended by the GN. What does that read? It reads 6 areas of intervention insofar as *CSR* funding is concerned. First of all, priority areas dealing with –

- health problems resulting from substance abuse and poor sanitation;
- educational support targeting families in the Social Register of Mauritius;
- family protection to victims of domestic violence;
- poverty alleviation targeting families listed in the Social Register of Mauritius;
- social housing targeting families in the SRM;
- supporting persons with severe disabilities.

These are the six areas of intervention and now, this is being enlarged by GN No. 52.

We are not concerned now with activities which do not qualify because there has been no debate on it and now we come to this one. The hon. lady mentioned a list of instances. The hon. Member, who just spoke before me, mentioned about leisure, sports, peace and nation building, etc. But, thereafter, after the list of the 10 priorities, there is a small note. The priority areas specified in this part shall target individuals and families –

- “(a) registered under the SRM, and
- (b) vulnerable groups under the Charter of the National CSR Foundation”

Therefore, there is no possibility of diving or using this money for other activities which may be under the heading listed there so long as it does not fall within this proviso. And, this is where I want to make it clear...

*(Interruptions)*

I want to make it clear. First, the Motion of Disallowance is not a debate on a Bill. We are not here to say what we have to amend, replace such and such things by such and such things. Either the GN stands as a whole or it falls altogether, this is what we have to decide. I know that the issue of motion of disallowance has been in the limelight only recently, but...

*(Interruptions)*

...this is something I wanted to clear and may I also just reassure all hon. Members that we are fully committed to help and support the poor and the vulnerable. Under the CSR Foundation which has been set up and which enlists the list of vulnerable persons which the hon. Minister took the pain to highlight and to list, we are trying to, with the help of the private sector which is also part of the CSR Foundation, do our best so that we can help the poor and the vulnerable in all transparency and where you will have now a system where you

come with your project which will be examined and then you will be given funds, for which there is going to be monitoring and evaluation which was lacking in the previous system.

It is good also to note that, in our commitment to help the poor and the vulnerable, contrary to what was the case previously where all CSR funds which go to the MRA were being sent to the Consolidated Fund, those funds now will be used strictly for the poor and the vulnerable, and it will be managed by the Foundation where the public and the private are going to be Directors.

This is what I wanted to say and I may also mention that, up till now, there have been some Rs900 m. which went to the Consolidated Fund and hopefully, in the near future, more funds are going to be made available for the fight against poverty. I have no doubt that, with the mechanism put into place, the Government will honour its obligation and responsibilities towards the poor and the needy while adopting a collaborative and consultative approach towards the private sector and the NGOs. Through the National CSR Foundation, a platform for implementation, coordination, close monitoring and constant evaluation of all projects will be effected.

With these words, Mr Deputy Speaker, Sir, it is my humble view that this motion should be rejected in the interest of the population.

Thank you, Mr Deputy Speaker, Sir.

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

(2.22 a.m.)

**Mrs Perraud:** M. le président, après avoir écouté attentivement tous les intervenants sur cette motion, d'ailleurs je tiens à remercier tous ceux qui ont intervenu sur cette motion, je dois dire que je maintiens cette motion d'annulation du GN No. 52. Après avoir écouté les deux ministres, le ministre actuel de l'Intégration Sociale et l'ancien ministre de l'Intégration sociale je trouve que cette motion d'annulation est appropriée et pertinente.

Je peux vous dire que j'ai été toute ouïe et je ne suis pas convaincue du tout par les arguments qu'a avancés l'ancien ministre de l'Intégration sociale. Je vais revenir là-dessus. Par contre, j'ai posé des questions claires et précises par rapport au fait qu'en 2011 les critères concernant la réhabilitation et la réinsertion des victimes de substances ainsi que la

réhabilitation et la réinsertion des ex-détenus figuraient sur les *priority areas* et aussi les secteurs d'intervention alors que...

*(Interruptions)*

*Talerla to ti bizin dire ça!* Alors que, dans cette nouvelle liste de 2017, ces trois critères n'y figurent pas. Pas un seul mot du ministre à ces questions! Pas un seul! Vous n'avez pas répondu du tout concernant ces trois critères et les ONG attendent une réponse. J'ai bien expliqué qu'il y a eu appel à projets, les ONG ont soumis leurs projets et qu'un des critères, je l'ai dit et je le redis, c'est *relevant*.

*(Interruptions)*

C'est ce que je suis en train de faire !

*(Interruptions)*

*You don't have to pick and choose to raise a point of order.*

*(Interruptions)*

**The Deputy Speaker:** Order!

*(Interruptions)*

**Mrs Perraud:** You should raise a point of order for everybody, not only when PMSD is speaking...

*(Interruptions)*

Donc, je dois...

*(Interruptions)*

Donc, je dois dire qu'aucune des questions que j'ai soulevées n'a reçu de réponse. Aucune des questions ! Le ministre actuel n'a pas répondu du tout. Il n'a fait que lire ce que j'avais déjà dit et le papier sur lequel moi-même j'ai parlé le ministre a relu presque l'intégralité de ce papier sans donner aucune réponse.

Concernant l'ancien ministre de l'Intégration Sociale, je vous remercie pour les bons conseils sur les *technicalities of the motion* mais je dois dire que le projet de loi, l'acte 2016 est là et dedans vous venez soutenir ce que j'ai dit. Dans l'acte 2016, nous voyons bien dessus *'protection dealing with health problems resulting from substance abuse and poor*



*sanitation*'. Donc, nous voyons les mots '*resulting from substance abuse*'. Or, en 2017, c'est biffé, c'est effacé - il n'y a pas. Donc, je ne sais pas quelle réponse vous apportez à la question que j'ai soulevée au contraire vous venez confirmer ce que j'ai dit. Alors je dois dire, M. le président, que cette motion d'annulation du GN No. 52, je la maintiens, et je la présente devant la Chambre.

*The motion of the hon. First Member for Port Louis North and Montagne Longue (Mrs A. Perraud) was, on question put, defeated.*

### ADJOURNMENT

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** I move for the adjournment of the House to Tuesday 16 May 2017 at 11.30 a.m.

**Mrs Dookun-Luchoomun rose and seconded.**

*Question put and agreed to.*

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

*At 2.29 a.m., the Assembly was, on its rising, adjourned to Tuesday 16 May 2017 at 11.30 a.m.*

### WRITTEN ANSWERS TO QUESTIONS

#### REGISTRAR GENERAL'S DEPARTMENT/MRA - MERGER

**(No. B/356) Mr S. Baboo (Second Member for Vacoas & Floreal)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to the proposed merger of the Registrar General's Department with the Mauritius Revenue Authority, as announced in the last Budget Speech, he will state where matters stand.

**Reply:** In the Budget Speech 2016/2017, I announced a major public sector reform programme.

One of the proposed reforms was the merger of the Registrar General's Department with the Mauritius Revenue Authority. The main objective of the proposed merger was to improve the efficiency and effectiveness in the collection of arrears of revenue.

After consultations with the Registrar General's Department Employees Union, the latter has proposed that they be given a 12-month period to improve the collection of arrears

of revenue and that they be provided with adequate resources and the services of an attorney. The Union has furthermore agreed that, in the event there is no improvement in the collection of arrears after the period of one year, it will be agreeable for the merger to take place.

We have agreed to this course of action and necessary arrangements are being made to provide the Registrar General's Department with the additional resources required.

### **HORSE RACING - SMS BETTING - PERMIT**

**(No. B/358) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to SMS betting, he will, for the benefit of the House, obtain from the Gambling Regulatory Authority, information as to the number of companies operating same regarding horseracing, indicating the –

- (a) date of issue of the permit therefor in each case, and
- (b) number of applications therefor which have been rejected, if any, indicating the reasons therefor in each case.

**Reply:** In regard to part (a) of the question, the Gambling Regulatory Authority has, to date, granted licences to three companies/operators which offer betting, in respect of horse racing, through SMS.

These companies are SMS Pariaz Ltd, Global Sports Ltd and Automatic System Ltd. I am informed that SMS Pariaz Ltd was first issued with a licence on 18 August 2008 while Global Sports Ltd and Automatic System Ltd on 02 April 2009 for SMS betting.

It is to be noted that Global Sports Ltd and Automatic System Ltd were already licensed to operate through remote communication, namely via telephone, since August 2006 and May 1991 respectively, by the then Gaming Board.

These licences have been renewed annually on payment of the prescribed fees.

It is to be noted that SMS Pariaz Ltd is a bookmaker conducting fixed odds betting on local horse racing through remote communication, which is SMS only, whilst Global Sports Ltd and Automatic System Ltd are totalisator operators offering pool betting on horse racing through remote communication, that is, through both telephone and SMS. These two companies also offer over the counter services at betting outlets.

The information in respect of part (b) of the question is being placed in the Library.

### **SMS PARIAZ - BETTING OUTLET - APPLICATION**

**(No. B/359) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to SMS PARIAZ, he will, for the benefit of the House, obtain from the Gambling Regulatory Authority, information as to if it is processing an application for the issue of a licence thereto to operate a betting outlet at 45, Queen Street, in Port Louis and, if so, indicate –

- (a) the date of application thereof and the objections, if any, raised by neighbours thereof, and
- (b) if consideration will be given to the presence of a mosque and of a school situated within 300 metres thereof prior to issuing the said licence.

**Reply:** I am informed by the Gambling Regulatory Authority that an application has been received from SMS Pariaz Ltd on 09 January 2017 to operate an outlet at 45, Queen Street, Port Louis, to conduct fixed odd betting on football matches taking place outside Mauritius.

The application was transmitted to the Commissioner of Police on 10 January 2017 for clearance purposes.

According to the letter, dated 04 May 2017, issued to the Gambling Regulatory Authority by the Commissioner of Police, 11 persons/organisations have expressed no objections thereto. Eight objections were received through statements and letters, including the Jummah Mosque and Christian International Church. These two places of worship are situated at a distance of about 150 and 80 metres respectively from the location of the proposed outlet. Objections were also received from Play on Line Ltd, represented by Mr Bryan Foo Kune, and Bosco & Co. Ltd, represented by Mr Pawan Kumar Jogeeah, two companies that are the direct competitors of SMS Pariaz Ltd.

In addition, the enquiry has revealed that four betting outlets are already operating within a perimeter of 70 metres from the proposed site of business, despite the presence of these two places of worship. These outlets belong to -

- (a) Play on Line Ltd;

- (b) Bosco & Co. Ltd;
- (c) Automatic System Ltd, and
- (d) Tote Lepep.

I am also informed that the Police usually carry out its enquiry within a perimeter of 200 metres and there is no school within the said perimeter.

**MAURITIUS CIVIL SERVICE MUTUAL AID ASSOCIATION –  
CHAIRPERSON – APPOINTMENT**

**(No. B/360) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to the Mauritius Civil Service Mutual Aid Association, he will –

- (a) for the benefit of the House, obtain therefrom, information as to the name of the Chairperson thereof, indicating the terms and conditions of appointment thereof, and
- (b) state the control, if any, exercised by the Ministry of Finance and Economic Development in relation thereto.

**Reply:** With regard to part (a) of the question, the Chairperson of the Mauritius Civil Service Mutual Aid Association Ltd is Mr Premode Neerunjun, Deputy Permanent Secretary at the Prime Minister's Office. As Chairperson of the Board, he receives an all-inclusive monthly fee of Rs70,000.

Regarding part (b) of the question, in accordance with section 2 of the Act, the Association is constituted as a limited company under the Companies Act. It was incorporated as a company in 1913 and its shareholders are employees of the public sector. Government has no stake in the company. The operations of the Mutual Aid as a deposit taking institution are regulated by the Bank of Mauritius.

The Mauritius Civil Service Mutual Aid Association Act only provides for the Minister of Finance to appoint the Board of Directors, Auditors and Liquidators in case of a winding up.

It is apposite to note that section 129(1) of the Companies Act provides that the business and affairs of a company shall be managed by or under the direction or supervision of the Board.

Section 143 of the Companies Act also provides for the duties of Directors. Under this section, Directors, *inter alia*, have to exercise their powers honestly, in good faith, in the best interest of the company and for the respective purposes for which such powers are explicitly or impliedly conferred.

Further, section 153 of the Companies Act prevents a Director of a company from disclosing information which he has obtained in his capacity as Director, from making use of such information except –

- (a) for the purposes of the company;
- (b) as required by law, or
- (c) if authorised by the Board for specific purposes specified in the Act.

Moreover, the external auditor is responsible for ensuring that the accounts give a true and fair view of the financial situation of the company.

The Ministry of Finance and Economic Development, therefore, exercises no control on the company.

### **MR A.S. & GROUP OF COMPANIES – INQUIRIES**

**(No. B/361) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to Mr A.S. and his group of companies, he will, for the benefit of the House, obtain from the Bank of Mauritius, information as to the reasons for the carrying out of inquiries in relation thereto, indicating in each case, the –

- (a) starting date thereof, and
- (b) outcome thereof.

**Reply:** I am informed that it is the standard practice at the Bank of Mauritius to conduct due diligence on an investor who has submitted an application to carry banking business in our jurisdiction.

The Bank of Mauritius is required, under section 26 of the Bank of Mauritius Act 2004, to maintain the confidentiality of information gathered in the performance of its duties. The Bank of Mauritius is also proscribed under section 64(11) of the Banking Act 2004 from disclosing any information in relation to the affairs of a customer obtained in the course of an inspection made or of an examination conducted thereunder.

I am informed that the Bank of Mauritius is not in a position to disclose the information requested by the hon. Member.

I wish to inform the House that the Bank of Mauritius had, following an article which appeared in *Weekly Magazine* of Issue Number 231 published in January 2017, made a statement to the Police on 06 February 2017 to the effect that a company by name of “ASA Investment Bank” had used the word “bank” without its approval, as required under section 4 of the Banking Act 2004. The Police are inquiring on the matter.

#### **COMMISSION OF INQUIRY – BAI KENYA – MEMBERS**

**(No. B/362) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to the Commission of Inquiry set up to investigate into the sale of BAI Kenya by the special administrators of BAI Co. (Mtius) Ltd, he will, for the benefit of the House, obtain information as to the terms and conditions of appointment of the members thereof.

**Reply:** As the hon. Member is aware, the Acting President of the Republic issued a “Commission” on 08 April 2017 appointing the Commissioners of a Commission of Inquiry on the disposal of the shares of the BAI Company (Mauritius) Ltd and related entities in Britam Holdings Ltd (Kenya).

Pursuant to section 17 of the Commissions of Inquiry Act, the “Commission” was published on the same day in Government Gazette No. 36 as General Notice No. 501 of 2017.

The “Commission” issued by the Acting President sets out the terms of reference and other conditions of the Commission of Inquiry and also defines its powers.

In regard to the remuneration of the Commissioners, this will be determined in accordance with the guidelines issued by the Ministry of Civil Service and Administrative Reforms and section 16 of the Commissions of Inquiry Act on completion of the exercise.

#### **GOVERNMENT/PUBLIC BODIES - COURT CASES – LEGAL FEES**

**(No. B/363) Mrs D. Selvon (Second Member for GRNW & Port Louis West)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to the court cases in which Government and/or public bodies is a party since December 2014 to date, he will give a list thereof, indicating in each case, the –

- (a) names of the lawyers in private practice/Chambers whose services have been retained therefor, and
- (b) quantum of the fees paid and/or payable thereto.

**Reply:** The information as requested by the hon. Member has been sought from all Ministries, departments, parastatals, local authorities and other public bodies. Once the exercise of compilation is completed, the information will be placed in the Library of the National Assembly.

#### **MR A.S. - VISITS & COMPANY LICENCES**

**(No. B/364) Mrs D. Selvon (Second Member for GRNW & Port Louis West)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to Mr A.S., he will, for the benefit of the House, obtain information as to whether –

- (a) he has stayed in any official residence belonging to the State of Mauritius during any of his visits in Mauritius, and
- (b) he had been refused licences to operate his companies in Mauritius in 2014 and, if so, give details thereof.

**Reply:** In regard to part (a) of the question, according to records available at the Passport and Immigration Office, Mr A.S. visited Mauritius on 20 occasions during the period 06 August 2015 to 24 April 2017. During these visits, he has never stayed in any official residence belonging to the State of Mauritius.

As for part (b) of the question, I am informed that Mr A.S. is a Director/shareholder in six companies incorporated in Mauritius as follows -

- (a) AS Asset African Management Ltd;
- (b) ASA Fund;
- (c) PASET Fund;
- (d) Alvaro Sobrinho Africa Ltd;
- (e) Taysun Corporate Services Ltd, and
- (f) Vango Property Ltd.

Except for Vango Property Ltd, which is involved in real estate activities, all the other companies are licensed with the Financial Services Commission. The licences in respect of AS African Management Ltd, ASA Fund, PASET Fund and Alvaro Sobrinho Africa Ltd were granted during the period 28 August 2015 to 25 November 2016. As for Taysun Corporate Services Ltd, it is licensed with the Financial Services Commission since 01 March 2010. However, Mr A.S. became a shareholder of this company on 15 February 2017. In fact, he is the sole shareholder.

I am informed that none of these companies applied for any licence in 2014. The issue raised by the hon. Member, therefore, does not arise.

### **SMART CITY PROJECTS - IMPLEMENTATION**

**(No. B/365) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development whether, in regard to the proposed Smart City Projects, he will, for the benefit of the House, obtain from the Board of Investment, information as to where matters stand as to the implementation thereof in each case.

**Reply:** The ‘Smart City’ concept was announced in the 2015/2016 Budget Speech and the Smart City Scheme was introduced in June 2015 with the promulgation of the Investment Promotion (Smart City Scheme) Regulations.

The thrust of a Smart City Project is to create working, living and leisure space in an environment-friendly manner. A Smart City is, therefore, a mixed-use real estate



development comprising office, residential, commercial and entertainment components all integrated by means of a coherent Master Plan, with a focus on innovation, sustainability, efficiency and quality of life.

A Smart City Project should also aim at generating its own resources in terms of energy and water; provide for state-of-the-art connectivity; provide smart modern transportation and reduce traffic congestion.

I am informed by the Board of Investment that, as at to date, nine development proposals are being considered under the scheme.

The approval of a Smart City Project is a three-step process. The first step involves the issue of a letter of comfort by the Board of Investment. When the project is firmed-up with detailed plans and financing model, a Letter of Intent is issued. The final step is for the Board of Investment to issue a 'Smart City Certificate' when the relevant permits and licences have been obtained by the promoters for subsequent construction works to start.

I am informed by the Board of Investment that, as at now, a Smart City Certificate has been issued to three companies as follows -

- Mon Trésor Smart City Ltd (Omnicanne Group) on 08 September 2016 over an extent of 436 *arpents*;
- Cap Tamarin Ltd on 04 October 2016 over an extent of 105 *arpents*, and
- Mauritius Jin Fei Economic Trade and Cooperation Zone Co. Ltd on 19 December 2016 over an extent of 175 *arpents*.

Mon Trésor Smart City Ltd has already started construction works for business offices since November 2016 and an amount of Rs143 m. has already been invested. The development of the Freeport component is planned to start in the second semester of 2017.

Mauritius Jin Fei Economic Trade and Cooperation Zone Co. Ltd has started construction of a wedding square since October 2016 and an amount of Rs110 m. has been spent up to now. The construction of warehousing spaces and a hotel is expected to start in the third and fourth quarter respectively.

As regards Cap Tamarin Ltd, construction works are expected to start in the second semester of 2017.

In addition, a Letter of Intent has been issued to two companies, namely -

- Moka Smart City Ltd on 04 October 2016 over an extent of 456 *arpents*, and
- Medine Smart City Company Ltd on 16 December 2016 over an extent of 783 *arpents*.

Moka Smart City Ltd has invested some Rs150 m. in infrastructure works, which include roads, cycle tracks and a park to service its smart city.

With regard to Medine Smart City Ltd, it has started the construction of a few components of its Smart City Project, namely a pre-primary, primary and a secondary school, a sports centre, a university campus, student accommodation and road infrastructure. The company has so far invested Rs1.2 billion in the project.

I am further informed that Hermes Properties Ltd and Mon Choisy Smart City Ltd, holders of a letter of comfort, have applied to the Board of Investment for the issue of a Letter of Intent. These applications are currently being examined by the Smart City Technical Committee.

Terragri Ltd and Royal St Louis are two companies which have been issued with a letter of comfort under the Smart City Scheme. The promoters are still working on the detailed Master Plan for their projects.

#### **COMMISSION OF INQUIRY ON DRUGS - MEMBERS - FEES & SAFETY MEASURES**

**(No. B/370) Mr A. Duval (First Member for Curepipe & Midlands)** asked the Rt. hon. Minister Mentor, Minister of Defence, Minister for Rodrigues whether, in regard to the members of the Commission of Inquiry on drugs, he will, for the benefit of the House, obtain information as to the –

- (a) quantum of fees payable thereto, indicating the basis of the computation thereof, and
- (b) measures taken to ensure the safety thereof.

**Reply (The Prime Minister):** The quantum of fees payable to the Commissioners of the Commission of Inquiry on Drug Trafficking will be determined in accordance with the guidelines issued by the Ministry of Civil Service and Administrative Reforms and section 16 of the Commissions of Inquiry Act.

In regard to part (b) of the question, I am informed that the Commissioner of Police has arranged for police assistance to the Commission of Inquiry. The hon. Member would appreciate that no further detail can be disclosed on this issue, precisely for reasons of safety and security.

#### **PROSTITUTION – MALAGASY WOMEN - INQUIRY**

**(No. B/394) Mrs D. Selvon (Second Member for GRNW & Port Louis West)** asked the Rt. hon. Minister Mentor, Minister of Defence, Minister for Rodrigues whether, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if an inquiry is being carried out regarding an alleged prostitution ring for high profile persons employing young Malagasy women operating in the North of Mauritius over the recent years and, if so, indicate where matters stand.

**Reply:** I am informed by the Commissioner of Police that no enquiry is being carried out in any case of prostitution involving young Malagasy women in the North of Mauritius.

However, I am also informed that, on 26 March, 2017, the Tracking Team of the Passport and Immigration Office carried out an operation in a discotheque in Grand' Baie, where eleven Malagasy women nationals were found thereat.

They were brought to the main Office in Port Louis to be questioned as to their presence at the discotheque. It was found that they came to Mauritius on holiday as tourists. Upon further questioning, they averred that they were lodging at a different address to the one they had declared at the Passport and Immigration Office counter of Sir Seewoosagur Ramgoolam International Airport upon their arrival.

Prompt action was taken to cancel their visas and they were repatriated to Madagascar on the same day. They were further informed in writing not to undertake any travel to Mauritius without prior authorisation from the PIO. Their names have been provisionally added to the list of Prohibited Immigrants.

#### **LES SALINES – MALBOROUGH SOCIAL CENTRE - CLOSURE**

**(No. B/395) Mrs D. Selvon (Second Member for GRNW & Port Louis West)** asked the Minister of Social Security, National Solidarity, and Environment and Sustainable Development whether, in regard to the Malborough Social Centre at Les Salines, he will, for the benefit of the House, obtain information as to the reasons for the closure thereof, indicating if new premises have been earmarked for the relocation thereof.

**Reply:** The Social Welfare Division and the Sugar Industry Labour Welfare Fund which fall under the aegis of my Ministry operate and manage 57 Social Welfare Centres and 136 Community Centres respectively island wide. However, I am informed that the Malborough Social Centre at Les Salines does not fall under the purview of my Ministry.