



Republic of Mauritius

NATIONAL ASSEMBLY

Second Report of the Public Accounts Committee

Seventh National Assembly

First Session

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1.0 ESTABLISHMENT OF THE COMMITTEE

1.1 On 29 March 2021, Your Committee was reconstituted by the Committee of Selection and on 30 March 2021, Mr Speaker appointed the undersigned as Chairperson of Your Committee. Your Committee is comprised as follows:

1. Hon. Muhammad Reza Cassam Uteem, MP, Chairperson
2. Hon. (Ms) Naveena Ramyad, MP, Chief Government Whip
3. Hon. Patrice Kursley Armance, MP, Opposition Whip
4. Hon. Rajanah Dhaliah, MP, Parliamentary Private Secretary
5. Dr the Hon. Muhammad Ismaël Rawoo, MP, Parliamentary Private Secretary
6. Hon. Jean Francisco François, MP, Parliamentary Private Secretary
7. Hon. Rameswar Doolub, MP
8. Dr the Hon. Mahend Gungapersad, MP
9. Hon. Darmarajen Nagalingum, MP

1.2 Your Committee derives its powers under Standing Order 69(2) of the Standing Orders and Rules of the National Assembly (1995), an extract of which is set out in the Appendix to this Report.

1.3 Your Committee -

- (a) is constituted of 9 members of parliament, both from government and opposition sides;
- (b) is by convention, chaired by a member of the opposition;
- (c) examines audited accounts showing the appropriation of the sums granted by the Assembly to meet public expenditure;
- (d) is mandated to examine such other accounts laid before the Assembly as the Assembly may refer to Your Committee together with the Director of Audit's report thereon. However, no such referral has been made;
- (e) meets regularly and the members are assisted by the Director of Audit and his staff, by the representatives of the Ministry of Finance, Economic Planning and Development and by the staff of the Accountant General. Accounting officers of ministries and departments and their representatives attend the hearings to give evidence;
- (f) holds its meetings in camera without any disclosure of the proceedings; and
- (g) is served by the Clerk of the National Assembly, assisted by the Deputy Clerk and the Clerk Assistants.

1.4 Your Committee met on 24 occasions since the reconstitution thereof.

- 1.5 Members of Your Committee worked collectively and in a bipartisan manner to fulfil the duties thereof.
- 1.6 The main duties of Your Committee is to examine and report on the efficiency, effectiveness and economy with which ministries, government departments and other bodies have used resources put at their disposal. Your Committee also examines compliance with the principles of good governance and reports as to whether value for money has been obtained when spending the taxpayer's rupee.
- 1.7 Your Committee examined the Reports of the Director of Audit for fiscal years 2018-2019 and 2019-2020, respectively, during which Your Committee held several meetings with accounting officers and senior staff members of selected ministries and departments.
- 1.8 Your Committee could not hold meetings for several weeks because of the national lockdown period due to COVID-19 pandemic.
- 1.9 Your Committee was equally unable to carry out site visit/s in Rodrigues due to travel restrictions imposed amid COVID-19 pandemic and as a result of which, Your Committee could not examine the Reports of the Director of Audit relating to the Rodrigues Regional Assembly for the fiscal years under review.
- 1.10 Unfortunately, at the time of examination by Your Committee of a few ministries, the Accounting Officers who were convened before Your Committee, had certain difficulties accounting for the year under review inasmuch as they were not the ones who were in charge of the said ministries at the material time. Nonetheless, they conceded that there were room for improvement to ensure that procurement be conducted in a way as to ensure that value for money is obtained in an effective and timely manner, for public expenditure.
- 1.11 This Report of Your Committee sets out the findings and recommendations of the hearings carried out with representatives of various ministries in the order they were convened.

2.0 FINDINGS AND RECOMMENDATIONS

2.1 COVID-19 Related Expenditure

2.1.1 Hearing

- Your Committee met with representatives of the Ministry of Health and Wellness, the Ministry of Industry, Commerce and Consumer Protection and the State Trading Corporation involved in the emergency procurement exercises following the COVID-19 Pandemic on no less than 7 occasions because of the amount spent on procurement and the exceptional conditions prevailing during the COVID-19 Pandemic.
- At the very outset, it must be highlighted that seeking information from the representatives of the above-mentioned ministries was not easy at all.
- Your Committee was informed that the Senior Chief Executive, involved in the procurement of COVID-19 related items of the Ministry of Health and Wellness had retired and a newly appointed Acting Senior Chief Executive was responsible to answer our queries. The Supervising Officer of the Ministry at that time had also retired. Unfortunately, the representative of the Ministry could not provide accurate information as she was new to the Ministry and could only rely on information provided to her by the official of the Ministry and what was recorded in the files.
- Your Committee was not provided with adequate information and was left in the dark on such crucial matters as to who chose the suppliers, why were such suppliers chosen, what steps had been taken to ensure that we were getting value for money and why were records not properly kept in breach of Directive 44 (see paragraph 2.1.2).
- Your Committee was also surprised to learn that despite the comments of the Director of Audit and the serious irregularities that he highlighted in his observations in his 2019-20 Report, no action or sanction has been taken against anybody involved in the said emergency procurement exercises.

2.1.2 Findings

- The Director of Audit devoted a whole chapter of his Report for 2019/2020 on COVID-19 related expenditure and concluded that *“the audit exercise has revealed amongst others that there was a lack of proper planning, absence of proper documentation at the different stages of the procurement process, non-compliance with the legal requirements and value for money was not obtained”*. Your Committee has reached the same conclusion.
- From the testimony of the various representatives from the Ministry of Health and Wellness, the Ministry of Industry, Commerce and Consumer Protection and the State Trading Corporation, it would appear that the emergency procurement exercises during the COVID-19 pandemic were carried out as follows:
 - A High Level Committee was set up on 31 January 2020 chaired by the Prime Minister and consisted of various Ministers including the Minister of Health and Wellness and the Minister of Industry, Commerce and Consumer Protection with a

view to monitoring the COVID-19 pandemic situation locally and internationally and ensure a proper coordination amongst the ministries concerned;

- Directive No. 44 was issued by the Procurement Policy Office on 19 March 2020 setting out the procedure which public bodies must follow to undertake emergency procurement under section 21 of the Public Procurement Act 2006 to combat the spread of COVID-19 virus in Mauritius.
- The respective Accounting Officer of the Ministry of Health and Wellness and the Ministry of Industry, Commerce and Consumer Protection determined that emergency procurement be resorted to for the procurement of certain medical products, drugs and equipment and used the direct procurement method.
- At the level of the Ministry of Health and Wellness, a technical committee was set up to look into the technical part and specification for procurement and a Committee of Needs was set up which identified the medical products to be procured and the quantities needed. The procurement requirement is approved by the Accounting Officer of the Ministry.
- Only 35% in value of the procurement of some Rs 1.7 billion for medical products was done at the level of the Ministry of Health and Wellness and the remainder was done at the level of the Ministry of Industry, Commerce and Consumer Protection through the State Trading Corporation. According to the representative of the Ministry of Industry, Commerce and Consumer Protection that decision was taken by the High Level Committee. However, there was no record for such a decision.
- For those procurement exercises carried out by the Ministry of Industry, Commerce and Consumer Protection, Your Committee was informed that the specifications for the medical products were received from the Ministry of Health and Wellness and the actual purchase was done through the State Trading Corporation. The representative of the State Trading Corporation informed Your Committee that the State Trading Corporation was merely executing instructions received from its parent Ministry and acting as paying agent. The payment made by the State Trading Corporation to suppliers was subsequently reimbursed by the Ministry of Health and Wellness.
- Contracts for the supply of medical equipment and products including masks and ventilators were awarded to suppliers who were not registered suppliers and who had no track record of supplying such products and equipment. No due diligence exercise had been effected on these suppliers in breach of Regulation 10 of the Public Procurement Regulation. In several cases, full contract amount was paid to the supplier before the products were delivered. Contrary to established practice, no bank guarantee was provided in connection with the advance payments.
- No record was kept in respect of the choice of the suppliers and the reasonableness of the prices quoted by them in breach of Directive 44 and of the Public Procurement Act.
- There was no proper contract executed for the supply of several medical products and no penalty clause for late delivery and for defective products.

- When confronted with the major shortcomings and irregularities in the procurement exercise, one representative of the Ministry of Health and Wellness simply stated that they were “*saving lives*” and were working under pressure.
- The representative of the Ministry of Industry, Commerce and Consumer Protection told Your Committee that “*the instructions I received for the award of the contract for the nasal swabs and for the other two equipment were verbal instructions that I received from my Minister*”.

He drew Your Committee’s attention to section 68 of the Constitution which provides that “*where any Minister has been charged with responsibility for the administration of any department of Government, he shall exercise general direction and control over that department and, subject to such direction and control, any department in the charge of a Minister (including the office of the Prime Minister or any other Minister) shall be under the supervision of a Permanent Secretary or of some other supervising officer whose office shall be a public office*”.

He then told Your Committee that “*an instruction to effect a policy procurement, emergency procurement in/during a pandemic is of a policy nature and has to be acted upon. I dutifully acted on that.*”

He did not have any records of instructions received from his Minister because they were all verbal.

- The representative of the Ministry of Health and Wellness also confirmed that “*when the Minister comes from the Committee, the Minister received instructions and we execute as executors of decisions, of policy decision.*” However, she did not have copy of any minutes evidencing such instructions given by the Minister or the Committee.
- Your Committee notes with concern that hundreds of millions of rupees worth of contract had been awarded during the COVID-19 pandemic without any record being kept as to who took the decision to award those contract to suppliers (some of whom were not registered suppliers) and who approved the price to be paid for those products.
- Your Committee takes a very serious view of the representation made by the representatives of the Ministries that they were executing instructions from their respective Minister. It is ultimately the responsibility of the Accounting Officer to see to it that all procurement activities are carried out in accordance with rules and regulations. Ministers should not get involved in the procurement exercise.

2.1.3 Specific Findings

Contract Awarded To Unknown Suppliers

- Your Committee was informed that two companies which were awarded contracts for supply of masks under the emergency procurement were not on the approved list of suppliers of the Ministry, namely Red Jewel Ltd and Gitanjali Co. Ltd. No due diligence was carried on Red Jewel Ltd and Gitanjali Co. Ltd and there was no evidence of any track record of these companies supplying masks of the required specification. There was no record as to whether known suppliers had been contacted

and were unable to supply the masks before the contract was awarded. There was no record as to how these companies, during lockdown, came to know that the Ministry of Health and Wellness was purchasing masks. And even more surprisingly there was absolutely no record of any attempt by the Ministry of Health and Wellness to negotiate with these companies for a reduction in prices to get value for money.

- Your Committee was informed by the representatives of the Ministry of Health and Wellness that save for the procurement of ventilators, no specifications or list of suppliers were supplied to the Ministry of Industry, Commerce and Consumer Protection or to the State Trading Corporation. They could not explain how a contract for Rs 44 million had been awarded to AV Techno-World Co. Ltd which was not a registered supplier.

Pack & Blister Co. Ltd

- With regards to Pack & Blister Co. Ltd. which again was an unregistered supplier, the representatives of the Ministry of Health and Wellness informed Your Committee that there was no record as to how Pack & Blister Co. Ltd. was chosen for the supply of ventilators. The Ministry through the State Trading Corporation ordered 50 ventilators of the make Aeomed VG70 from catalogues received from Pack & Blister Co. Ltd and paid some Rs 77.9 million in advance for these ventilators. However, the supplier subsequently informed the Ministry that it will not be able to supply Aeomed VG70 but will instead supply AeroDuo ventilators. Surprisingly the Ministry accepted the AeroDuo ventilators without any revision in prices. The ventilator delivered did not meet the requirement of the Ministry even after they were calibrated by technicians from abroad. As a result, the ventilators were never used and were returned to the supplier. Up to now the Ministry has not recovered the amount paid for these ventilators which did not meet its requirements. The representative of the Ministry justified the placing of the order with Pack & Blister Co. Ltd in the following terms “*either we take it or we leave it. If we leave it, we are going to lose about 100 people per day*”. Your Committee is of the view that by ordering ventilators manufactured by an unknown manufacturer from an unknown supplier without any due diligence, the Ministry did not act reasonably and, in fact, recklessly had put the lives of Mauritians at risk through lack of ventilators.

Pharmaceutical Products

- With respect to the purchase of drugs, the representative of the Ministry of Health and Wellness justified the direct purchase from a single supplier, who was not a regular supplier, at an inflated value on the following terms “*It was a panic purchase. We had to save lives.*” He also explained that “*when the purchase was done in a panic, some documents were not submitted at the time of the proposal, which came up totally complete afterwards*”. Your Committee was not convinced by the explanation of the representative of the Ministry of Health and Wellness the more so when some of the drugs procured under emergency procurement were delivered 6 months after procurement. Your Committee fully endorses the following remarks of the Director of Audit “*nothing justifies the flouting of the principles of good governance, especially when it involves public funds*”.

2.1.4 Recommendations

- **There should be a clear demarcation between the responsibility of the Minister in making policy decision and the responsibility of the Accounting Officer and other staff of the Ministry in carrying out procurement exercises.**
- **During emergency procurement, provisions of the Public Procurement Regulations and the Directive issued by the Procurement Policy Office must be strictly adhered to.**
- **Proper negotiations must be carried with prospective suppliers even during an emergency procurement to ensure that value for money is obtained.**
- **Proper record needs to be kept, proper approvals must be sought, and legal procedures need to be followed when effecting any procurement.**
- **There should be accountability at each level and stage during the procurement exercise.**
- **At the level of the Ministry, the internal audit should carry out its duty with due diligence.**
- **Cases of misuse of public funds and maladministration should be sanctioned.**

2.2 Ministry of Health and Wellness

2.2.1 Hearings

- The administrative staff of the Ministry of Health and Wellness were all new to the Ministry and hence found it extremely difficult to be clear in their answers. They referred to files but also stated that most of the communications were verbal because of exigencies posed by the COVID-19 protocol.
- The officers were very approximate in their delivery and most of the time it seemed that there is a silo within the Ministry.
- The administrative wing is completely detached from the technical wing of the Ministry and hence their deliberations were completely different on the same specific matter. It seems that only files are transferred from a department to another up the hierarchy without any communication, discussion and deliberation.
- The representatives of the Pharmacy Unit of the Ministry were completely at a loss and provided approximate information. Their information was so unclear that it not only verged on approximation but many a times they were completely inaccurate and misleading. The facts as revealed in the numerous briefs and proofs provided on request by the Ministry turned out to be completely different.
- The Pharmacy Unit seems to be completely detached to the processes, practice and management of the Ministry and works as a full separate entity, on its own.

2.2.2 Findings

- For a Ministry having a such big portfolio for expenditure, Your Committee was surprised by the attitude of the staff towards accountability and justification of expenditure.
- They have a traditional way of procurement to which they are adhering since the past 30 years. The needs and capacity have changed and the financial portfolio has increased many folds, but the same old fashion way of procurement, identification of needs and balancing needs to supply has remained stagnant causing loss of important resources and loads of wastage.
- However, there does not seem to be any feedback loops, check and balance principles as well as evaluation procedures in any system or methods used by this Ministry.
- The main problems that have been noted during the deliberation is that, the technical officers of the Ministry seem to exert a full monopoly on establishing specifications, procurement and bid evaluation procedures. There seem to be a conflict of interest as they are the same officers who identify the needs, the quantity needed, the specification of the product needed and they are the same officers who contact the suppliers, evaluate their bids and give their consent to procure.

- This overlap all along create an opacity that is difficult to evaluate in the absence of written evidence and proper filing.
- It has been noted that responsible officers of the Ministry of Health and Wellness interprets circulars issued by the Procurement Policy Office as per their convenience. The different heads interpret differently and there is no uniformity in procurement procedures.

2.2.3 Recommendations

- **Over the years, the Ministry of Health and Wellness has been taken to task because of inadequacies and errors made in the procurement of medical equipment and items. Such bad practices have led to wastage of public funds and opacity in the way procurement has taken place. Your Committee recommends that the Department dealing with procurement should strictly follow legal provisions regarding Transparency, Accountability and Good Practices.**
- **Interpretation of circulars, directives and regulations needs to be updated and uniformized across the whole Ministry.**
- **In house capacity building specific to the Ministry needs to be devised and given throughout the hierarchy on the same platform. A discrepancy in interpretation has been noted all along and an opacity in the purpose and strategic plan causes officers to understand and interpret the same information differently, causing delays, bottlenecks and loss of funds.**
- **A uniformized and detailed procedure flowchart with proper feedback loops and evaluation loops for procurement need to be set up by the Procurement Policy Office and the said office should empower the staff of the Ministry of Health and Wellness through regular in house workshops.**
- **Since procurement seems to be a major activity of the Ministry of Health and Wellness, Your Committee suggests that the Procurement Policy Office provides a full-time assistance to the Ministry to help them establish clear-cut procedures and systems based on procurement laws, directives and regulations applicable.**
- **There seem to be too many overlaps in procedural flows. This has to be identified and resolved.**
- **Communication channels need to be established between the technical and administrative wings of the Ministry.**
- **Your Committee would strongly recommend that the whole organigram of this Ministry be reviewed as a matter of urgency. The existing organigram has been identified by Your Committee as one of the main problems of the Ministry. Senior Doctors and Specialists may be very efficient in establishing specifications and identifying the needs for equipment, and drugs in hospitals but they are not**

trained to be fully conversant with procurement procedures, administrative and management principles and most importantly market research and surveys. There need to be a specialized management and finance cadre in the operation of pharmacies, hospitals and those departments involved in the management of resources and human resources.

- **All purchase of equipment should be accompanied by a well-defined maintenance contract.**
- **The Ministry has to review the disposal of solid and liquid wastes in a very scientific and sustained manner as it seems it is done on a trial and error basis. There need to be a specialized unit, staffed by specialized and trained staff in these matters.**
- **Your Committee found that decisions are taken in a piece meal manner without an integrated approach. There need to be a full fledged strategic framework for the Ministry of Health and Wellness and this needs to be communicated to every staff, indistinctive of their post and status.**

2.3 Ministry of Industry, Commerce and Consumer Protection

2.3.1 Hearing

- Representatives of the Ministry were interviewed on 6 and 20 May 2021 respectively.
- Representatives of the Ministry were questioned on the issues highlighted in the Report of the Director of Audit and also on the role of the State Trading Corporation with regard to the thematic audit on COVID-19 related expenditure.

2.3.2 Findings

Lab equipment for Legal Metrology Services

- In the urgency to have the equipment which is a custom-made flow meter, no attempt at negotiation was done with the successful bidder with a view to bringing the price down, in breach of the Circular issued by the Procurement Policy Office.
- Although there was a delay in the delivery and testing of the goods, no liquidated damages was deducted from the payment in breach of the special conditions of contract.
- The representative of the Ministry informed Your Committee that the procurement was done by a procurement and supply officer who did not necessarily have the experience and technical capabilities to handle such procurement. The officer did not seek any assistance from the Procurement Policy Office or from more senior officers.
- When queried as to whether any disciplinary sanction was taken against this officer, the representative of the Ministry stated “*I do not think there is a very strong and solid case for disciplinary action in this one*”.
- Your Committee was most surprised to learn that the flouting of directive by the Procurement Policy Office and the non-enforcement of penalty clauses leading to a loss of public fund were not perceived to be very strong and solid case for disciplinary action.

Electric Forklift

- An electric forklift was purchased following an urgent request from the Legal Metrology Services. However, the forklift was not yet operational 8 months after acquisition because the drivers did not possess the required services licence to operate such vehicle.
- Your Committee was informed that at the time the electric forklift was procured no one at the level of the Ministry was aware that the drivers did not have the required licence to operate the vehicle. However, since then a driver has successfully passed the forklift licence test.

2.3.3 Recommendations

- **Procurement officers must be properly trained and the Accounting Officer should be satisfied that an officer is properly trained before allowing him/her to handle procurement matters.**
- **There should be a mechanism ensuring that penalty clauses are properly applied and where necessary the advice of the State Law Office should be sought.**
- **Appropriate steps should be taken to ensure that procurement is not carried out by an officer on his own.**
- **Any officer who flouts the directives of the Procurement Policy Office and whose action result in loss of revenue or waste of public funds should be sanctioned.**
- **There is need for better coordination within the Ministry to ensure that procurements are properly carried out.**

2.4 Ministry of Blue Economy, Marine Resources, Fisheries and Shipping

2.4.1 Hearing

- Your Committee met with the representatives of the above Ministry on 22 July and 5 August 2021 to consider the Reports of the Director of Audit for 2018-2019 and 2019-2020 for the Ministry of Blue Economy, Marine Resources, Fisheries and shipping.
- The representatives of the Ministry were responsive and fully collaborated with Your Committee. They responded to our questions satisfactorily and it was clear that they tried to shed light on all those areas where clarifications were being sought.
- Unfortunately, the representative of the Ministry had just been transferred to this Ministry and did not have personal knowledge of the issues raised by the Director of Audit in his report. Nevertheless, he tried his best to provide as much information and clarifications as possible. He honestly answered to questions put to him and Your Committee took good note of it.

2.4.2 Findings

Fishermen Investment Trust (FIT)

- The FIT was set up in 2007 by an Act of Parliament. In 2010, it commissioned the construction of 3 fishing vessels which were supposed to be leased to fishermen who could not afford to buy boats. The first vessel was delivered in 2012 and was used for 2 years. After that time no one wanted to use the fishing vessel and it was left in a port somewhere. The second fishing vessel was delivered but never commissioned. The third fishing vessel was never delivered as the manufacturer which was part of the BAI Group went into receivership. Rs 10 million was committed for the construction of these 3 fishing vessels. The two vessels were eventually sold for only Rs 388,000 and Rs 71,000, respectively! Your Committee considers this as a clear example of wastage of public funds through mismanagement.
- The CEO and Chairman of the FIT resigned in December 2014 and the board of the FIT was never reconstituted and the CEO was not replaced. Nonetheless, the FIT kept incurring administrative expenses including staffing costs for a body corporate which was not operational for over 5 years. Another clear example of wastage of funds.
- The FIT which was set up for the benefit of the fishermen never declared nor paid any dividend to its members. The FIT was repealed by the Finance Act, the assets of the FIT worth around Rs 300,000 were sold and the proceeds put in the Consolidated Fund.

Mainstream Biodiversity into the Management of Coastal Zones in Mauritius

- The representative of the Ministry informed Your Committee that the project for Mainstreaming Biodiversity into the Management of Coastal Zones in Mauritius could not be implemented because of the Wetland Bill which was going to impact on this

project. It is to be noted that a final draft of the Wetland Bill was submitted in November 2019 and the consultants were due to draft the regulations and undertake some consultation works with stakeholders.

- The project is supposed to be financed by a grant of US \$ 20 million, co-financed by the United Nations Development Programme (UNDP) and by the Global Environment Facility (GEF) in 2016. Some Rs 33 million has already been spent on this project and the Ministry has obtained an extension until December 2022 to complete the project.
- It is to be noted that the National Coastal Zone Management Plan, the Wetland Bill and policies and guidelines are not yet finalized and unfortunately, still in progress.

Off Lagoon Fishing Scheme

- Financial assistance was granted to Fishermen Cooperative Societies partly as a grant and partly as a loan for the acquisition of semi-industrial fishing boats. Out of the four beneficiaries of the financial assistance, only two had acquired a boat which was fully operational. No Fishermen Cooperative Society benefitted from the scheme after 2017/18.
- Your Committee noted that there was a lack of proper communication and marketing strategy, as a result of which only a few fishermen were aware of the scheme and only 7 out of 100 fishing cooperatives showed any interest in the scheme.

Electronic Reporting System

- As at today, the catch reporting is relying on manual logbook despite the willingness to have a proper electronic reporting system.
- Several discrepancies in the catch reporting could be ascertained and a very poor planning over the procurement of the electronic reporting system under the partnership agreement resulting in delay in the procurement of the said system.
- Your Committee noted that despite the facts that logbooks had gone missing, there was no real interest for the Ministry to give proper explanation on the above.

National Ocean Council (NOC)

- More than 4 years after the setting up of the NOC, whereby members were being paid fees related to the sittings of the councils, a huge amount of Rs 5.4 million incurred from 2015 to 2019 and a follow up showed that in 2020, members were still eligible for fees while the council was not operational at all.
- It was also noted that the NOC is not yet been operational; the Blue Economy Council has not yet been set up; and no Blue Economy policy exist yet.

Multi-purposed support vessel

- In 2020, a multi-purposed vessel worth Rs 55 million was delivered. It was put to limited use because there was no commissioning certificate despite being on berth for over the past 18 months.
- Full Payment has been effected without proper commissioning.
- Surprisingly, the vessel was used to do surveys on the grounding of the MV Wakashio when it was not officially supposed to do so and when questioned on the matter, it was noted that some officers of the Ministry approved such a request.
- Since all elements for the inauguration was ready, except the most important commissioning certificate, it is to be noted that the Ministry proceeded with such a launching with all pomp and ceremony.
- Another issue relates to the insurance cover. If the vessel was not properly commissioned, then any damage to the vessel would not have been covered by insurance.
- Emergency procurement was resorted to for the insurance of the vessel by the SICOM in spite of the absence of a commissioning certificate and that vessel was not fully owned either by the Ministry or by the Government of Mauritius.

2.4.3 Recommendations

- **The Wetland Bill should be finalised urgently and introduced in the Assembly as soon as possible.**
- **A Proper Central Register for all the assets of the Ministry should be maintained, including boats and vessels.**
- **Every attempt should be made so that the Off-Lagoon Fishing Scheme fulfills its objectives including holding regular meetings with fishing cooperatives to explain to them the advantages of availing themselves of the facilities thereunder.**
- **The terms and conditions for Off-Lagoon Fishing Scheme should be reviewed to enable beneficiaries enter into management agreements with the consent of the Ministry.**
- **A proper structure must be set up to enable the NOC function satisfactorily to drive the Blue Economy. Measures must be taken so that the Ministry function in strict compliance with the existing legislation and procurement procedures.**

2.5 Ministry of Gender Equality, Child Development and Family Welfare

2.5.1 Hearings

- Your Committee held meetings with representatives of the Ministry on 3 occasions namely on 19 and 26 August and 2 September, 2021.
- At the outset Your Committee was informed by the Acting Senior Chief Executive that he was new to the Ministry having only been posted since one month and therefore he had limited personal knowledge of the issues raised in the Reports of the Director of Audit under review and would be relying on his officers.
- The officers endeavoured to provide as much information as they could in response to various queries from Your Committee.
- Unfortunately, Your Committee was very surprised that certain officers had taken upon themselves not to enforce the law and regulations when it comes to Residential Care Institutions and Child Day Care Centres which were operating without the required license. Worse, applications were being made to court for committal orders to commit mistreated children to shelters that were not place of safety in blatant violation of the law.

Residential Care Institutions

2.5.2 Findings

- There are currently 23 Residential Care Institutions (RCI) out of which four were Government-owned and 19 were run by Non-Governmental Organisations (NGOs). Out of the 19 RCI run by NGOs only 9 were registered with the Ministry and an additional two were in the process of registering with the Ministry.
- The Place of Safety for the Welfare and Protection of Children Regulations 2019 requires all Residential Care Institutions to be licensed with the Ministry as place of safety and RCI were given three months from the coming into force of the Regulations to apply for registration.
- Although all RCI were required by law to be registered by January 2020, an administrative decision was taken to allow any RCI which had not been licensed to continue operating in blatant breach of the law.
- As at 26 August 2021, ten RCI were operating without being registered, in breach of the Regulations.
- An officer from the Ministry justified the administrative decision to allow RCIs, which are not duly licensed, as place of safety to operate because, according to him, three months were apparently not enough for the RCI to get a fire certificate, police and sanitary clearances and modification to their structural set up. And then came the first COVID-19 lockdown and then the second lockdown.

- However, a closer look at the reasons why some RCI were not registered give an altogether different perspective. Some of these RCI could not provide medical certificates for their staff due to lack of fund. Some RCI did not obtain sanitary clearances because they did not have the funds to comply with the recommendations of health inspectors.
- While these RCI were not licensed as place of safety as required by law, they nonetheless continued to receive capital grant from Government based on the number of children placed with them. The Deputy Permanent Secretary from the Ministry defended the decision to continue to fund the RCI which were operating without a licence contrary to the law on the basis that it was not possible to place the children from those RCI elsewhere because of scarcity of places in other RCIs which were duly licensed as place of safety!
- No sanction was taken against the RCIs which were operating without a licence!
- According to the Child Protection Act where a child has been mistreated, the Permanent Secretary of the Ministry can apply to the court for a committal order to commit that child to a place of safety. Despite being fully aware that 10 RCIs were not duly registered and therefore, did not qualify as places of safety, officers of the Ministry sought and obtained committal order from the court to commit mistreated children to non-compliant RCIs which were not place of safety.
- An officer from the Ministry justify the committal of children to these non-compliant RCI on the ground that these were shelters '*qui ont fait leurs preuves*' but have not been able to get registered because of some of the criteria in the Regulation is too onerous!
- Your Committee is surprised that the same people who came up with the list of conditions to be satisfied for an RCI to be licensed as a place of safety only a few months later are arguing that these conditions are too onerous for some RCIs to comply with!
- Your Committee takes a very serious view that courts are being deliberately misled by representatives of the Ministry to commit mistreated children to non-compliant RCIs which are not place of safety.

2.5.3 Recommendations

- **The Ministry should forthwith stop the practice of applying to the court for a committal order to commit mistreated children to non-compliant RCIs which are not place of safety.**
- **Non-compliant RCI should be informed of the sanctions for operating without being registered with the Ministry.**
- **Consideration should be given to review the policy of giving grants to RCIs which are not registered.**

- **The Place of Safety for the Welfare and Protection of Children Regulations 2019 must be amended as soon as possible to ensure that RCIs are able to satisfy the conditions for the issue of a license as a place of safety.**
- **The Place of Safety for the Welfare and Protection of Children Regulations 2019 should also be amended to remove the requirement under Regulation 8(1)(d) for the accounts of a place of safety to be audited by the National Audit Office as this is clearly outside the mandate of the National Audit Office.**
- **The Ministry should consider alternative to placing children in RCIs which are not licensed such as placing them with foster parents or relatives who are willing and able to look after them.**

Shortcomings In Residential Care Institutions

2.5.4 Findings

- The Report of the National Audit noted a number of shortcomings in RCI. Some RCIs did not have the required number of caregivers and other general staff to cater for the number of residents, the ratio of caregivers for the various categories of children placed were generally not observed, administrative records were incomplete, care plans were not seen prepared for residents who suffered trauma, 20 residents at four shelters were not attending school and also two minors placed in private shelters in 2012 and 2017 were yet to be declared at the Civil Status Office as of January 2020.
- The Ministry replied that they have an enforcement team that ensures the monitoring of the shelters every 15 days. The enforcement team ensures that the children are getting quality foods as per their needs and requirements. Whenever there is an allegation of ill treatment of children by an employee of the shelter, the employee is suspended and the case referred to the police. The Ministry has even caused RCIs to be closed down. On the issue of staffing, the Ministry informed Your Committee that the National Children Council has recruited 12 caregivers and an additional shelter manager and is now compliant with the Regulation.
- With regard to the two children who had not been declared, Your Committee was informed that one of the children has already been declared but the second one, who is now 20, has still not yet been declared due to unfavourable conclusions of the Ministère public.
- Your Committee finds it unacceptable that a child is still undeclared several years after having been placed in an RCI. Without a birth certificate and a national identity card, it is very difficult for someone, aged 18 to exercise most of his/her basic rights such as getting admission in a university, getting a job, voting in an election, opening a bank account, buy property, amongst others.

2.5.5 Recommendations

- **Appropriate legislative changes should be brought to facilitate the tardy declaration of abandoned children and orphans.**
- **Consideration should be given for Government to provide funding for children above 18 residing in RCIs and who are still attending school.**

Child Day Care Centres

2.5.6 Findings

- Your Committee was informed that as at August 2021, out of 371 Child Day Care Centres, 210 such centres did not have a certificate of registration because they did not comply with the conditions set out in the Regulations.
- According to section 3 of the Institution for the Welfare and Protection of Children Regulations 2000, « **no institution shall operate unless it has been registered under these regulations** ».
- Under section 18 of the Child Protection Act which was applicable before the coming into force of the Children's Act, it is a criminal offence to contravene that Act or any regulation under that Act.
- Your Committee finds it most disturbing that Child Day Care Centres are allowed to operate without a licence *au vu et au su* of the Ministry and absolutely no sanctions are being taken against these Child Day Care Centres. Your Committee feels that when parents send their children to Child Day Care Centres, they have a legitimate expectation that these centres have been duly licensed and are properly monitored by the Ministry.
- Your Committee fails to understand why the Ministry allows Child Day Care Centres which do not maintain the required child to care giver ratio or do not have the necessary fire clearance certificates or sanitary clearances to operate in all impunity. The reply of the Deputy Permanent Secretary was very unsettling: the Ministry cannot close down non-compliant Child Day Care Centres because « *we will have a social problem - where would mothers leave their children, they do not have anybody to look after them?* »

2.5.7 Recommendations

- **The Ministry should enforce the Regulations against non-compliant Child Day Care Centres;**
- **If the Ministry feels that they should revisit the conditions for registration, then appropriate amendments should be brought forthwith to the Regulations.**

- **Child Day Care Centres which are not compliant with the Regulations should be promptly informed of the sanctions for operating without a valid certificate of registration.**
- **Proper training should be provided to officers for them to understand the importance of complying with the law.**
- **Officers who choose not to enforce the law for administrative convenience or otherwise should take full responsibility for their inaction and where necessary their case should be referred to the Public Service Commission for appropriate disciplinary sanctions.**

Cash Grant To Child Day Care Centres

2.5.8 Findings

- To encourage Child Day Care Centres to register with the Ministry, a one-off cash grant scheme is given to Child Day Care Centres, which have never registered with the Ministry, to upgrade their infrastructure in order to satisfy the required standard childcare. The National Children Council disbursed 90% of the grant to the Child Day Care Centres. The remaining 10% was to be disbursed only after registration with the Ministry.
- Out of the 65 Child Day Care Centres which were eligible for the grant only 18 Child Day Care Centres benefitted therefrom out of which only eight have been registered with the Ministry. A significant number of Child Day Care Centres could not be registered even after receiving the grant as they were still not compliant with the Regulations.
- Out of the annual budget of Rs 10 million allocated, only Rs 4.9 million was disbursed in 2018/19 and only Rs 5.6 million was disbursed in 2019/2020.

2.5.9 Recommendations

- **The conditions for disbursement of the cash grant should be reviewed and be better monitored.**
- **Consideration should be given to extending the cash grant not only to Child Day Care Centres which never registered with the Ministry but also to Child Day Care Centres which did not have their certificate of registration renewed, with a view to helping them comply with the Regulations.**

Overstay Of Children In Hospital

2.5.10 Findings

- Victims of child abuse are conveyed to hospital for medical examination and upon medical advice are admitted in hospital. Once the medical treatment is completed the child is discharged from the hospital and transferred to a shelter. However, according to the Director of Audit Report under review, 37 children had overstayed for a period of eight to 113 days.

- Your Committee was informed that due to lack of space at shelters, children remained in hospital for several days after they had recovered and ought to have been discharged from hospital on medical advice. Whilst in hospital these children of sound health are kept in the same room as children who are sick. They are not under the supervision of any officer from the Child Development Unit but are looked after by normal nurses.
- When confronted with the case of a child who overstayed for 113 days in hospital, the head of the CDU candidly stated that « *ce n'est pas un enfant de la CDU ça* ». The child had been abandoned by his parents. Yet at least once a week an officer of the CDU visited the hospital and could see that healthy child staying in hospital.
- The Head of the CDU insisted that she had no power to act unless and until someone reported the matter to her even if officers of the CDU are aware that an abandoned child is in the hospital.
- Yet according to section 3 of the Child Protection Act, «where the Permanent Secretary has reasonable cause to suspect that a child is being exposed to harm and is in need of assistance, he may summon any person with or without the child to give evidence for the purpose of enquiring into the matter. ».
- The CDU did not deem it fit to draw the attention of the Permanent Secretary to this case of abandoned child and by failing to do so, it did not act in the best interest of the child.
- Your Committee was most disturbed by the attitude of the officer of the CDU who would simply let a healthy child stay in hospital because no one had apparently reported the matter to the CDU.

2.5.11 Recommendations

- **A protocol should be established with regards to child who are committed to hospital for treatment to ensure that they are taken care of as soon as they no longer require medical assistance.**
- **A protocol should be established for CDU to take care of abandoned children and for the Permanent Secretary to initiate the required investigation any time an officer of the CDU becomes aware of a case of abandoned child.**
- **If no space is available at shelters to accommodate the child after he has been discharged, alternative arrangements must be made such as placing the child with foster parents or with relatives who are willing and able to look after the child.**
- **Consideration should be given to amending the law to facilitate the adoption of children who have been abandoned or harmed.**

Domestic Violence Information System And Child Protection Register

2.5.12 Findings

- The Domestic Violence Information System commonly known as DOVIS is a computerised system meant to capture on an electronic basis all information relating to domestic violence whether relating to spouse or children. Such database is important for monitoring purposes. The system which was developed as far back as in 2014 is under-utilised and not updated. Several reported cases of domestic violence were not recorded electronically but manual files were kept.
- Your Committee was informed that the system would be fully operational by September 2021.
- The Child Protection Register is also underutilised and not updated. Only cases requiring Emergency Protection Orders are being inputted in the system. Complaints of child abuse which did not require Emergency Protection Order were recorded manually.
- Even for cases involving Emergency Protection Orders, there is a backlog and not all cases have been inputted in the system.
- Despite the Ministry informing the Director of Audit that six interns under the Youth Employment Scheme had been recruited to clear the backlog of 15,000 cases of child abuse, these cases were not inputted into the system and decision was taken on 26 June 2020 to record only cases involving Emergency Protection Orders in the system.
- The Ministry complained of lack of staff and huge turnover of staff at the level of the Ministry and the Ministry is apparently able to retain only 33% of its staff.
- The Ministry also mentioned that the Child Protection Register system must be reviewed to make it lighter so that at least minimal information is recorded on the system. However, when pressed by Your Committee, the Acting Senior Chief Executive conceded that they had not contacted the State Informatics Limited who initially developed the system to modify and improve the system.
- Your Committee fails to understand the rationale for the administrative decision taken by the Ministry to record only cases where an Emergency Protection Order has been issued in the Child Protection Register. A child who has been subject to abuse on several occasions may require special attention even if on each individual occasion the officer at the Child Protection Services does not feel that there is an emergency requiring court intervention and the issue of an Emergency Protection Order. Your Committee believes that all cases of child abuse must be recorded on the Child Protection Register for a more efficient and effective monitoring of child abuse cases.

2.5.13 Recommendations

- **All cases of child abuse must be inputted into the Child Protection Register and not just cases involving emergency protection orders.**
- **All backlog of cases must be inputted so that there is a complete record of all complaints and a history ready available for each child who has been the subject of abuse.**
- **A committee should be set up at the level of the Ministry to review the Child Protection Register with the assistance of the State Informatics Ltd to make it more user friendly and more effective.**
- **The issue of lack of staff and high staff turnover must be promptly addressed and diligently resolved.**
- **Officers must be adequately trained to use the Child Protection Register instead of recording complaints manually.**

Integrated Support Centre Services Project

2.5.14 Findings

- In March 2019, the Ministry set up an Integrated Support Centre (ISC) service for the public to report cases of domestic violence and child abuse on a 24/7 basis on hotlines and for victims of violence to receive timely support. 26 digital tablets were supplied to officers to enable them to attend calls from home after office hours and have access to the Domestic Violence Information System and the Child Protection Register.
- However, there was a bug on the system and the Apple tablets could not be used to access the system. Instead the officers had to use their Android mobile phones to access the system.
- The 26 digital tablets which were procured for the sum of Rs 520,000 are not being used and are at the IT Unit.
- Despite the digital tablets not meeting the required specifications, the Ministry did not explore the possibility of returning same to the supplier or suing the supplier for breach of contract.

2.5.15 Recommendations

- **The advice of the State Law Office should be sought to explore the possibility of returning the digital tablets to the supplier or suing the supplier for damages.**

2.6 Ministry of Housing and Lands

2.6.1 Hearings

- Your Committee held meetings with representatives of the Ministry on two occasions namely, 9 September and 28 October, 2021.
- The representatives of the Ministry displayed a positive attitude and endeavoured to provide all information they could concerning queries from Your Committee even though some of the representatives were not posted at the Ministry for the period under review.

State Land Register Software Solution

2.6.2 Findings

- Your Committee noted from the Report of the Director of Audit that there had been delay in the implementation of the State Land Register Software Solution. The project, which started in 2018, had to be completed in one year according to the contract but had not been completed yet.
- The delay was, according to the Ministry, mainly due to constant changes in specifications which were not foreseen at the time of design which was undertaken in-house. The delay was also due to confinement period owing to COVID-19 pandemic.
- Your Committee was informed that the project would be completed by December 2021 at no additional costs.

2.6.3 Recommendations

- **Your Committee recommends that the services of specialist consultants be hired for such type of exercise which require specific expertise. Getting the specifications right at the outset would have saved officers of the Ministry from devoting time to non-core activities and avoided the delay encountered.**

Management of State Land – Lands vested in other Ministries and departments which have remained undeveloped for years

2.6.4 Findings

- Your Committee took note that some lands acquired for Government projects and vested in Ministries have remained undeveloped. In reply to queries on the actions taken to address the situation, Your Committee was informed that there was a committee under the Chair of the Permanent Secretary to monitor the situation. Undeveloped state lands

are retrieved and kept in the land bank of the Ministry. In regard to private land acquired compulsorily, after compliance with section 31 of the Land Acquisition Act, the land is kept in the land bank of the Ministry whenever the project for which the land had been acquired does not materialise.

2.6.5 Recommendations

- **There should be regular monitoring of lands vested in ministries and departments, whether State lands or private land purchased for public purpose and action taken for retrieval of undeveloped lands that could be put to other uses.**

Land Acquisition - Processing time and payment of interest as a result of delay

2.6.6 Findings

- The Report of the Director of Audit Committee highlights the delay in processing acquisition of lands and the interest being paid as a result of these delays. Your Committee noted that for year 2018/2019, the Ministry disbursed Rs 876 million for land acquisition and Rs 137 million for payment of interest. Your Committee fully supports the findings of the Director of Audit.
- The Ministry elaborated on the various procedures and processes involved in land acquisition and their need to be in strict compliance with provisions of the Land Acquisition Act. Mention was made of other factors which are extraneous to the Ministry.
- Your Committee was informed of a committee at the level of the Ministry working on streamlining procedures and processes including proposals where there is need to amend the existing legislation with a view to reducing process time for land acquisition.
- Your Committee took note that there was a shortage of staff compared to the number of projects which were undertaken by Government, particularly, in regard to the Metro Express, construction of drains and the 12000 residential units projects.

2.6.7 Recommendations

- **Your Committee recommends that all processes be reviewed for acquisition to be completed within the shortest time possible so that there is no incidence on the quantum of interest to be paid. Your Committee also recommends that the appointment of Notaries and time taken by them to finalise transactions be revisited. Your Committee also recommends that the manpower at the Ministry be looked into to ensure there is enough capacity to deliver on time.**

Arrears of Revenue in respect of Leases on State Land Observations

2.6.8 Findings

- The criticism in the Report of the Director of Audit is essentially on the poor progress in the recovery of outstanding amount due to the Ministry of Housing and Lands in respect of leases on State land.
- Your Committee took note that the outstanding amount which was more than one billion rupees in year 2016 has been reduced to 585 million rupees in 2019.

2.6.9 Recommendations

- **Your Committee recommends that there should be a dedicated Debt Recovery Unit or Enforcement Unit, as referred to in the Report of the Director of Audit, which is adequately staffed to deal specifically with debt recovery.**

Land Administration Valuation and Information Management System – (LAVIMS)

2.6.10 Findings

- The Report of the Director of Audit draws attention to the fact that the Cadastre and Valuation components of the LAVIMS had not been implemented despite an amount of US \$ 20 million, exclusive of maintenance costs, having been spent.
- Your Committee was informed by the Ministry that the revised project cost of the project was US \$ 20,481,894 excluding maintenance costs which amount to Rs 40 million per year and that LAVIMS was operational except for one module namely the Valuation Roll, renamed as the Cadastral Database. The Ministry also informed that this module had been completed and was being implemented.
- Your Committee took note that after thirteen years, the Ministry had, in view of latest technological development, started to work on a new LAVIMS 2.0 project.
- Your Committee also took note that a major part of the delay was attributable to the restrictions due to the COVID-19 pandemic and limited human resource capacity.

2.6.11 Recommendations

- **The LAVIMS 2.0, if being implemented, should be completed within the shortest period possible to avoid obsolescence and cost overrun. The system should be accessible online to all relevant departments to ensure optimal use. Any module or component within the existing LAVIMS should be incorporated in the LAVIMS 2.0 to reduce costs.**

Issue of Parcel Identification Number (PIN)

2.6.12 Findings

- The report has been critical in the way PINs are allocated and fees collected. The report also refers to inadequate control over the issue of PIN in respect of Morcellement Permits which resulted in loss of revenue to Government; and to the unit having recourse to manual vouchers rather than auto-generated voucher.
- Your Committee took note that applications for PINs are made online under provisions of the Cadastral Survey Act and are processed whereby PINs are automatically generated by the system. In regard to Morcellements, it is only after subdivision of land that same is inputted in the system which generates the PINs automatically after payment is made. Your Committee also took note that manual voucher, previously used only to round off figures when converting “perche into metre square” is no longer being used.
- With reference to the issue of fake morcellement permit, Your Committee took note that fake morcellement permit were issued through fraudulent means outside the system.
- The Ministry informed that since the implementation of the online system for application and issue of morcellement permit, the possibility of having fake morcellement permit has been practically impossible.

2.6.13 Recommendations

- **Your Committee recommends that there is a mechanism within the system for cross-verification by the Registrar-General’s Department or any other relevant department whenever a transaction concerning a plot of land is carried out.**

Cost Sharing Mechanism – Les Salines, Black River Project

2.6.14 Findings

- In the absence of vehicular access, Government has invested some Rs 495 million as cost for infrastructure on the site to be recouped from lessees on a cost sharing basis. The report makes reference to one of the nine beneficiaries who did not settle his share of contribution whereby the Ministry had not been able to enforce payment from the defaulting beneficiary.
- Your Committee took note that the said company was in liquidation and that the advice of the Attorney-General’s Office had been sought on the way forward.

2.6.15 Recommendations

- **In view of the fact that public funds are involved, the Ministry of Finance, Economic Planning and Development is to consider the advisability of setting up a department with adequate staff for recovery of rental and any amount payable to Government following agreements.**

Lease Administration – Lease to a Statutory Board, Employees Welfare Fund (EWF)

2.6.16 Findings

- The report makes mention of an industrial lease at Calodyne which expired in 2015 which, as at November 2019, had not been renewed on new terms and conditions including new annual rental as assessed by the Valuation Department to the tune of Rs 1.4 million annually.
- Your Committee took note that the lease had not been renewed due to the significant increase in annual rental from Rs 225,000 annually to Rs 1.4 million annually following a change in purpose.
- Your Committee is of the view that there is no formal mechanism for the settlement of disputes resulting in the loss of revenue to Government.

2.6.17 Recommendations

- **The Ministry has to set up a proper mechanism to ensure that disputes are sorted out the soonest possible to avoid loss of revenue to Government in terms of interest foregone. If need be, amendment should be brought to the relevant sections of the existing legislations.**

Service Level agreement between the Ministry and the NHDC

2.6.18 Findings

- The report refers to a Service Level Agreement between the Ministry and the NHDC Ltd to monitor the performance of the latter against deliverables, tasks and outcome.
- The report also refers to absence of internal audit examination carried out to ensure that the objectives of the Ministry are met.

2.6.19 Recommendations

- **Your Committee recommends that there is regular auditing coupled with an internal mechanism at the level of the Ministry to ensure that the NHDC Ltd delves according to set targets.**

2.7 Ministry of Defence and Rodrigues (Police Service)

2.7.1 Hearings

- Your Committee met with the representatives of the Mauritius Police Force (MPF) on 3 occasions.
- The responsible officers attending the meetings with Your Committee have been responsive and did their utmost best to answer the queries of Your Committee.

2.7.2 Findings

Safe City Project

- The Director of Audit highlighted in his 2019-2020 Report that the lease agreements between the MPF and Mauritius Telecom for the implementation of the Safe City Project had not been communicated to officers of the National Audit Office because of a non-disclosure clause in those agreements. If the Director of Audit is not given access to relevant documents, he cannot perform his constitutional duties under section 110(2) of the Constitution.
- Your Committee was informed that the MPF has now received legal advice from the State Law Office and officers from the National Audit Office have now been given access to all documents relating to the Safe City Project.
- In answer to a query by Your Committee as to how the MPF has ensured that procurement for this project was undertaken by the most competitive method of procurement available in the circumstances as required under the Public Procurement Act, the representative of the MPF replied that the services of Deloitte was enlisted and they carried out a comparison of prices and the equipment supplied. The Director of Audit has requested for a copy of that report prepared by Deloitte to ascertain that the contract prices were fair and reasonable.

Procurement of Uniforms to the Mauritius Police Force

- Your Committee noted with concern that the procurement for the uniforms had some irregularities. The MPF initially awarded the contract for the supply of both shirts and trousers to the same supplier. However, the MPF only took delivery of the shirts as the trousers did not meet the specifications. As a result, trousers had to be procured under emergency procedure process and in the meantime the old uniform also had to be procured.

- Resorting to Emergency procurement directly impacted on the unit price of the items sourced, leading to an extra disbursement amounting to Rs 3.4 million out of public funds.
- Your Committee noted with concern that no sanction had been taken against the supplier for failing to supply trousers which complied with the specifications within the time specified in the contract.

Repairs and Maintenance of Police Vehicles

- Your Committee was informed that the MPF has recourse to the direct procurement method in awarding contract to nine local representatives for the repairs and maintenance of police vehicles. A sum of Rs 132 million has been spent on repair and maintenance by the MPF for period 2018-2019.
- Since Year 2015, the Procurement Policy Office stated that provision of service for repairs did not meet the condition for direct procurement and such method was not appropriate. However, Your Committee was informed that the directive from the Procurement Policy Office was revised in 2019 and the current practice is for maintenance services to be carried out by the local motor vehicle dealer.
- There has been recommendation to use the SMF workshop and resources to carry out repair and maintenance of police owned vehicles. A feasibility study is still outstanding.
- Your Committee believes that for minor repairs and servicing it may be more cost effective to have recourse to competitive bidding open to all service providers instead of direct procurement from local representatives.

Repairs and Maintenance of Aircrafts and Helicopters

- The Maintenance of the Aircrafts and Helicopters is costly to the Mauritius Police Force in particular those relating to the Defender Aircraft, the Dhruv Helicopter and the Dornier Aircraft.
- Despite the huge investment to service the Aircraft, same is still grounded and the reason put forward to the huge investment in maintenance and reparation is to have a greater sales value at time of sales.
- Decision was taken to sell the aircraft in November 2018, but sold finally in December 2020 for Rs 6.9 million whereas the cost price of spare parts only was Rs 13.8 million.

- Spare parts donated by the Government of India were not compatible with the aircraft and still in stock.
- Rs 80 million worth of equipment has been purchased and kept in stock whereas there is no urgent requirement for such equipment and are again kept in stock.

Irregularity In Revenue Collection At The Northern District Headquarters

- As far back as December 2014 the MPF was informed of an unexplained difference of Rs 33.2 million representing collections not banked. Up to now, only one police officer who was acting as revenue clerk has been interdicted in April 2015 and as of November 2020, Rs 1.7 million has been paid to that interdicted officer as salaries and rent allowance.
- Your Committee finds it unacceptable that almost seven years after the police has been made aware of a serious offence having been committed therefrom by presumably police officers, the enquiry is still ongoing. In the meantime, several officers working in the Northern Division have retired from service.
- Your Committee is even more surprised that despite the recommendations of the Departmental Board of Enquiry that disciplinary proceedings be initiated against the Manager, Financial Operations and the Chief Cashier and Senior Police Officers who acted as Divisional Commanders in the Northern Division over the period 2009 to 2014, absolutely no actions were taken against those officers. Your Committee is not satisfied by the excuse used by the representative of the MPF to the effect that no disciplinary actions can be taken unless and until the criminal case is closed.

2.7.3 Recommendations

- **Your Committee is of opinion that the procurement of goods and services for the MPF should be conducted by properly trained procurement officers.**
- **To avoid unnecessary delays in the procurement exercise and especially in case of complex procurement there is a need to have a procurement department with officers of specialised management and finance cadre.**
- **The evaluation exercise should not be carried out by police officers who are already taken up by their police duties. A pool of retired police officers and other professionals should be constituted to sit on bid evaluation committees.**
- **The same principles should be observed when it comes to the disposal of assets as in the case of procurement of goods to ensure that the best price is obtained.**
- **Disciplinary actions should be taken against police officers who have been involved in misuse of public funds and the more so when criminal conduct is involved. The fact that there is an ongoing police investigation should not be an excuse not to take disciplinary actions against public officers.**

3.0 MODEL LAW ON PUBLIC FINANCIAL MANAGEMENT

- 3.1 The working of Your Committee coincided with the publication of the draft SADC Model Law on Public Financial Management which will be adopted by the SADC Parliamentary Forum's Plenary Assembly and will serve as a benchmark and guiding legal instrument for national Parliaments to reinforce their domestic legal framework on public financial management. SADC Member States will be required to incorporate the Model Law through amendments to the Constitution, finance laws, regulations or the Standing Orders and Rules of the National Assembly, as may be necessary.
- 3.2 The overarching objective of the SADC Model Law is to ensure that SADC national Parliaments are enabled to conduct their legislative, budgetary and oversight functions for public financial management in a way that is transparent, efficient and responsive to the needs of SADC citizens.
- 3.3 The SADC Model Law devotes a whole chapter to the Public Accounts Committee, to its composition, its role, its funding and powers. It requires the reports of the Director of Audit and of the Public Accounts Committee to be debated in Parliament.
- 3.4 The SADC Model Law envisages the setting up of a complaints portal where members of the public could make complaint to the Public Accounts Committee or provide information about any matter connected with public financial management. The Public Accounts Committee would then consider the complaints and information received and take such action in the exercise of their function as they consider appropriate. The law will have to be amended to protect any whistleblower who discloses any possible financial irregularities to the Public Accounts Committee.
- 3.5 The SADC Model Law also gives extensive powers to the Public Accounts Committee to enable it to call public officers to give oral or written evidence on any matter relating to its functions and makes it an offence for a person on whom a requirement is imposed to fail to comply with it as soon as is reasonably practicable, to the best of the person's ability, and in good faith. The Public Accounts Committee is given power to refer any matter to law enforcement agencies including anti-corruption agencies if they think appropriate.
- 3.6 With a view to ensuring proper public financial management, the SADC Model Law makes it an offence for a public official to misuse public funds. In particular, it will be an offence for any public officer who knowingly or recklessly incurs fruitless or wasteful expenditure from public funds or arranges or facilitates arrangement for fruitless or wasteful expenditure from public funds. Appropriate action should be taken for the recovery of public funds which have been misused.
- 3.7 Your Committee is of the opinion that incorporating the SADC Model Law will enable a better administration and supervision over the finances of the State.

4.0 CONCLUSION

- 4.1 Every year the Director of Audit publishes a report highlighting various shortcomings which have significant impact on finances, resources and service delivery and which may adversely affect financial governance and controls if not corrected.
- 4.2 Every year the Public Accounts Committee deliberates on the report of the Director of Audit and calls upon Government officials to account for some of the shortcomings identified in that report.
- 4.3 However, the general perception is that the reports of the Director of Audit and of the Public Accounts Committee fall on deaf ears and no significant improvement is noted in the management of public finance.
- 4.4 Successive Public Accounts Committees have made recommendations in order to enhance, clarify and codify the powers of the Committee so as to increase further its effectiveness. Again to no avail.
- 4.5 Your Committee is of the view that the reports of the Director of Audit and of the Public Accounts Committee should be debated in Parliament as envisaged in the SADC Model Law.
- 4.6 Your Committee also believes that there is an urgent need to change the mind-set and attitude of some of the public officers who deal with public funds. Those who are entrusted with public funds should be accountable for their actions or inactions in order to improve public financial management.
- 4.7 Your Committee recommends that appropriate legislative changes be brought to sanction public officers who misuse or facilitate the misuse of public funds.

5.0 ACKNOWLEDGEMENT

- 5.1 Your Committee is grateful to **all** of its members who have actively participated in the various meetings of Your Committee and in drafting this report. Your Committee takes strong exceptions to reports published in the press at some point to the effect that certain members were apparently boycotting the meetings of Your Committee when nothing can be further from the truth. All members of Your Committee acted as a team in discharging their functions to the best of their abilities in an impartial manner.
- 5.2 Your Committee would like to place on record its appreciation for the collaboration it received from the Director of Audit, officers of the National Audit Office, officers from various ministries, the Accountant General's Department and Procurement Policy Office, who deponed before Your Committee.
- 5.3 Your Committee would also like to thank the Clerk of the National Assembly, the officers from the clerk's office and staff from the National Assembly for their support and guidance.

A handwritten signature in black ink, appearing to be 'M. Reza Cassam Uteem', written in a cursive style.

Honourable Muhammad Reza Cassam Uteem, MP
Chairperson of the Public Accounts Committee
10 March 2022

Standing Order 69(2) of the Standing Orders and Rules of the National Assembly (1995)

(2) Public Accounts Committee

- (a) There shall be a committee to be known as the Public Accounts Committee to consist of a Chairperson to be appointed by the Speaker and not more than nine Members to be nominated by the Committee of Selection at the beginning of each session. It shall be the duty of the Committee to examine the audited accounts showing the appropriation of the sums granted by the Assembly to meet the public expenditure and such other accounts laid before the Assembly as the Assembly may refer to the Committee together with the Director of Audit's report thereon.
- (b) The Committee shall have power, in the exercise of the duties mentioned at paragraph (a) of this Order, send for persons and records, to take evidence, and to report from time to time.
- (c) If the Chairperson is unable to be present at any meeting, the Committee shall elect another Chairperson whose tenure of office shall be for the day of his or her election only.
- (d) In discharging its duties under this Order, while examining accounts showing the appropriation of funds granted by the Assembly and such other accounts which the Assembly had referred to it, the Committee has to satisfy itself –
 - (i) that the monies shown in the accounts as having been disbursed were legally available for, and applicable to, the services or purpose to which they have been applied or charged;
 - (ii) that the expenditure conformed to the authority which governed it;
 - (iii) that every re-appropriation has been made in accordance with the provisions made in this behalf under appropriate rules; and
 - (iv) that cases involving negative expenditure and financial irregularities wherever they have occurred in the financial year under study, having regard to the financial report and the estimates as approved by the House, are subjected to scrutiny.