



**EIGHTH NATIONAL ASSEMBLY**

**PARLIAMENTARY**

**DEBATES**

**(HANSARD)**

**(UNREVISED)**

**FIRST SESSION**

**FRIDAY 25 JULY 2025**

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## THE CABINET

(Formed by Dr. the Hon. Navinchandra Ramgoolam)

Dr. the Hon. Navinchandra Ramgoolam, GCSK, FRCP	Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister of Finance Minister for Rodrigues and Outer Islands
Hon. Paul Raymond Bérenger, GCSK	Deputy Prime Minister
Hon. Shakeel Ahmed Yousuf Abdul Razack Mohamed	Minister of Housing and Lands,
Hon. Rajesh Anand Bhagwan	Minister of Environment, Solid Waste Management and Climate Change
Dr. the Hon. Arvin Boolell, GOSK	Minister of Agro-Industry, Food Security, Blue Economy and Fisheries
Hon. Govindranath Gunness	Minister of National Infrastructure
Hon. Anil Kumar Bachoo, GOSK	Minister of Health and Wellness
Hon. Christian Harold Richard Duval	Minister of Tourism
Hon. Ashok Kumar Subron	Minister of Social Integration, Social Security and National Solidarity
Hon. Gavin Patrick Cyril Glover, SC	Attorney-General
Dr. the Hon. Mrs Jyoti Jeetun	Minister of Financial Services and Economic Planning
Hon. Patrick Gervais Assirvaden	Minister of Energy and Public Utilities
Hon. Dhananjay Ramful	Minister of Foreign Affairs, Regional Integration and International Trade
Hon. Darmarajen Nagalingum	Minister of Youth and Sports
Hon. Muhammad Reza Cassam Uteem	Minister of Labour and Industrial Relations
Hon. Mahomed Osman Cassam Mahomed	Minister of Land Transport
Hon. Mrs Marie Arianne Navarre-Marie	Minister of Gender Equality and Family Welfare
Hon. John Michaël Tzoun Sao Yeung Sik Yuen	Minister of Commerce and Consumer Protection

Dr. the Hon. Kaviraj Sharma Sukon	Minister of Tertiary Education, Science and Research
Hon. Sayed Muhammad Aadil Ameer Meea	Minister of Industry, SMEs and Cooperatives
Dr. the Hon. Mahend Gungapersad, PDSM	Minister of Education and Human Resource
Dr. the Hon. Avinash Ramtohul	Minister of Information Technology, Communication and Innovation
Hon. Lutchmanah Pentiah	Minister of Public Service and Administrative Reforms
Hon. Ranjiv Woochit, OSK	Minister of Local Government
Hon. Mahendra Gondeea, OSK	Minister of Arts and Culture

#### **PRINCIPAL OFFICERS AND OFFICIALS**

Madam Speaker

Hon. Mrs Shirin Aumeeruddy-Cziffra

Deputy Speaker	Hon. Vedasingam Vasudevachariar Baloomoody
Deputy Chairperson of Committees	Hon. Mohamed Ehsan Juman
Clerk of the National Assembly	Lotun, Mrs Bibi Safeena, CSK
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**Eighth National Assembly**

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**FIRST SESSION**

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**Debate No. 30 of 2025**

**Sitting of Friday 25 July 2025**

The Assembly met in the Assembly House, Port Louis, at 3.00 p.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 –

**Prime Minister's Office**  
**Ministry of Defence, Home Affairs and External Communications**  
**Ministry of Finance**  
**Ministry for Rodrigues and Outer Islands**

- (a) Certificate of Urgency in respect of the following Bills (In Original):
- (i) The Finance Bill (No. XVIII of 2025);
  - (ii) The Rodrigues Regional Assembly (Amendment Bill) (No. XIX of 2025);  
and
  - (iii) The Economic and Financial Measures (Miscellaneous Provisions) Bill  
(No. XX of 2025)

**MOTION**

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

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

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

*Question put and agreed to.*

**Madam Speaker:** Yes, hon. Prime Minister.

## **STATEMENTS BY MINISTERS**

(5.03p.m.)

### **PAN-AFRICAN PARLIAMENT – MAURITIAN DELEGATION – REFUSAL OF CREDENTIALS**

**The Prime Minister:** Madam Speaker, with your permission, I wish to make a statement in relation to the participation of Mauritius in the Fifth session of the Sixth Legislative of the Pan-African Parliament, currently sitting in Midrand, South Africa.

As the House is aware, a delegation to the Pan-African Parliament was constituted and left for South Africa after the Secretariat of the Parliament was duly informed of the composition of our delegation.

Madam Speaker, Article 4(3) of the protocol establishing the Pan-African Parliament requires that, and I quote –

“The representatives of each Member State must reflect the diversity of political opinions in each National Parliament or other deliberative organ.”

whereas Article 4(2) stipulates that –

“Each Member State shall be represented in the Pan-African Parliament by five members, at least one of whom must be a woman.”

As you may be aware, hon. Ms Anabelle Savabaddy was part of the delegation. It should be borne in mind that based on tradition and established practice, the Leader of the Opposition does not form part of any national delegation to regional or international parliamentary meetings.

For his part, the Fourth Member of Port-Louis North and Montagne-Longue, did not express the wish to form part of the national delegation to the Pan-African Parliament which,



as I just mentioned, hosts its sitting in South Africa. He instead preferred to be considered for the Inter-Parliamentary Union (IPU) which meets in Geneva, Switzerland.

On the other hand, Madam Speaker, the Third Member, who does not sit on the Government bench, sits as an independent member and therefore belongs to no political party, cannot thus be said to have divergent political opinions, having been elected on the platform of the alliance that I lead. Let me recall here that as a sitting member of the then Opposition, he served for two full-terms as a member of the national delegation to the Pan-African Parliament that is, from May 2015 to October 2019 and again, from May 2020 to October 2024.

Madam Speaker, as Prime Minister of this county and Leader of the House, I simply cannot accept that this august Assembly, where dignity has been restored since the elections on November 2024, be made to suffer the kind of humiliation that its elected hon. Members have been subjected to by the unjustified and totally unwarranted refusal of the Credentials Committee of the Pan-African Parliament to accredit them.

I have, therefore, required our delegation to come back and I have addressed a strong letter of protest to the Chairperson of the African Union Commission in Addis Ababa which is also copied to the President and Clerk to the Pan-African Parliament.

Madam Speaker, in view of the seriousness and highly contemptible situation that this matter has provoked, I seek your indulgence to read out the contents of the letter which I shall also table.

Madam Speaker, let me register my utmost indignation at the unpatriotic and disgraceful behaviour of the Leader of the Opposition who publicly stated that he had written to the Pan-African Parliament to protest against the composition of our delegation and inviting them to deny it the required credentials. It is a matter of deep regret that the very people who made a mockery of parliamentary democracy and who brought our Assembly and the country into disrepute, these very people today declare themselves as paragons of democratic virtue. They are now sully the reputation of our country on the continent, this very country that up to 2014, ranked among the first in most international and regional indexes relating to good governance.

Finally, Madam Speaker, it is paradoxical that the hon. Fourth Member for Port-Louis North and Montagne-Longue, became Speaker after his predecessor was voluntarily consigned to the ICU and, who undertook three missions at tax payers' expense, within a

short span of 78 days, should now project himself as guardian of public finance and good governance.

Thank you, Madam Speaker.

**Mr A. Duval:** Madam Speaker, I have a point of order!

**Madam Speaker:** No. No. This is Statement Time.

You were to read the letter, hon. Prime Minister?

**The Prime Minister:** I will table a copy.

*(Interruptions)*

**Mr A. Duval:** I have a point of order!

**Madam Speaker:** No, this is Statement Time!

**Mr A. Duval:** But I have a point of order!

**Madam Speaker:** He has not finished!

**The Prime Minister:** I will now read extracts from the letter that I sent and as I said, I expressed concern of their refusal to accept the credentials of our delegation. And as I said, our delegation was already on its way to South Africa and it was informed, late on 18 July that they would not be accredited on the grounds that our delegation's composition was allegedly not in conformity with Article 4 (3) of the relevant protocol. I go on to say that –

“You are no doubt aware that Mauritius ranks very high in various international indexes as regards the basic precepts of democracy. Our National Assembly is regularly renewed on the basis of regular National Elections. Clearly, there is a lack of knowledge or information at the level of the Committee, with respect to the history of our National Assembly whose sovereignty and dignity have thus been put into question.”

And I also go on to say that –

“Our current Assembly comprises only two Members of the official Opposition, who though, having lost elections, are Members by virtue of our electoral system. This ensures that the Opposition is represented in our Parliament in spite of the fact that our Government Alliance won all the 60 seats.

There is now also a Member, who having been elected on the platform of the Alliance that I lead, is now sitting as an Independent Member. Besides the Leader of the Opposition who, by tradition and established practice, does not participate in any such regional or international parliamentary gatherings, the other Member as well as well as the Independent Member have been assigned to two other international regional parliamentary bodies, namely the IPU and the CPA.”

And to add insult to injury, the Clerk of the PAP wrote to the Clerk of the National Assembly, late on Sunday 20 July, in response to explanatory letter of the latter, dated 18 July, stating that the decision not to accredit has been taken and therefore, the request is that they will reconstitute our delegation to conform with Article 4 for submission by the same date, that is, 20 July.

This is the first time that such treatment, verging on humiliation, is being meted out to our National Assembly and it simply cannot be either accepted or tolerated.

Mauritius has been at the forefront of many African struggles right since its adherence in 1968 to the OAU, precursor to the AU, and will continue doing so, especially now when our continent is confronted with so many challenges. The decision of the PAP clearly demonstrates a lack of institutional memory on our track record and the functioning of different Assemblies that constitute the Pan-African Parliament.

I owe it to my people and to the National Assembly to take an appropriate decision that this regrettable and condemnable action by the Committee of the PAP warrants. I have, therefore, instructed that the Mauritius delegation should return forthwith to Mauritius.

My Government is also envisaging the suspension of our membership of the Pan-African Parliament. We shall keep you and the PAP informed of any decision that we make thereupon.

**Madam Speaker:** Thank you.

**Mr A. Duval:** Madam Speaker!

**Madam Speaker:** I will not!

**Mr A. Duval:** Madam Speaker...

**Madam Speaker:** Will you sit down?

**An hon. Member:** *Statement sa!*

**An hon. Member:** *Assize!*

**Madam Speaker:** Will you sit down?

*(Interruptions)*

I will not allow anyone to comment at Statement stage.

**Mr A. Duval:** It is a point of order! It is a point of order!

**The Deputy Prime Minister:** *Pa* point of order!

**Mr A. Duval:** It is a point of order!

**The Deputy Prime Minister:** You are out of...

**Mr A. Duval:** The point of order being that a Statement by Minister is not meant to be controversial.

**An hon. Member:** *Ale do!*

**Mr A. Duval:** Less so, imputing motive on other Members. Let me tell the hon. Prime Minister that he does not have to add me to any mission.

*(Interruptions)*

I do not want to participate to any foreign mission.

*(Interruptions)*

No consultation has been done with the Opposition. And he can remove my name!

**An hon. Member:** *Assize!*

**Madam Speaker:** This is not a point of order!

*(Interruptions)*

Let me ! Let me !

Vous m'aviez choisi comme arbitre, laissez-moi faire ! Je n'accepte pas que vous continuiez de cette manière. Mardi prochain, vous aurez l'occasion de parler si vous avez envie de parler. Pas aujourd'hui et pas à *Statement time* !

*(Interruptions)*

J'ai accepté le *Statement*. Donc, vous ne pouvez pas aller à l'encontre de ma décision.

Personne ! Ni de ce côté-ci, ni de l'autre côté. Non! *No more!*

Hon. Bhagwan!

(3.14 p.m.)

**ICJ ADVISORY OPINION (23 JULY 2025)– STATES’ CLIMATE CHANGE  
OBLIGATIONS**

**The Minister of Environment, Solid Waste Management and Climate Change (Mr R. Bhagwan):** Thank you, Madam Speaker. Madam Speaker, with your permission, I wish to make a Statement following the Advisory Opinion given the International Court of Justice on 23 July 2025 on the Obligation of States in respect of Climate Change.

Following lengthy representations made by Pacific Island Law Students, led by Vanuatu Island State, the General Assembly of the United Nations had, in March 2023, requested the International Court of Justice (ICJ) to give an Advisory Opinion on the following two questions –

- (a) What are the obligations of States under international law to ensure the protection of the climate system and other parts of the environment from anthropogenic emissions of greenhouse gases for States and for present and future generations, and
- (b) What are the legal consequences under these obligations for States where they, by their acts and emissions, have caused significant harm to the climate system and other parts of the environment, with respect to –
  - (i) States, including, in particular, Small Island Developing States (SIDS), which due to their geographical circumstances and level of development, are injured or especially affected by or are particularly vulnerable to the adverse effects of climate change?
  - (ii) Peoples and individuals of the present and future generations affected by the adverse effects of climate change.

The International Court of Justice gave the following Advisory Opinion –

- (i) States have an obligation to protect the environment from greenhouse gas emissions and act with due diligence and cooperation to fulfil this obligation;
- (ii) States’ legal obligations are not only derived from the United Nations Framework Convention on Climate Change and the Paris Agreement, but should also consider the other sources of most directly relevant law, including

the UN Convention on the Law of the Sea (UNCLOS), human rights law and customary international law;

- (iii) The 1.5°C threshold is an agreed primary temperature goal under the Paris Agreement;
- (iv) The obligations under customary international law are the same for all States, regardless of whether a State is a party to climate change treaties or not, and
- (v) States with these obligations incur legal responsibility and may be required to seize the actions causing this, offer guarantee for non-repetition and make full reparation.

Madam Speaker, to affirm the findings of the Advisory Opinion of the International Court of Justice, Vanuatu intends to submit a resolution to the UN General Assembly to that effect. This Advisory Opinion is a landmark victory for developing countries, particularly SIDS, as it clearly addresses the Polluter Pays Principle and ensures climate justice.

Negotiators on climate treaties will stand guided by this Advisory Opinion. Mauritius will support Vanuatu on the submission of the resolution. The International Court of Justice is the third of four top courts to make an Advisory Opinion on Climate Change.

The Inter-American Court of Human Rights had, in early July 2025, ruled that there was a human right to a healthy climate and the International Tribunal for the Law of the Sea had already stated that States had a legal responsibility to control greenhouse gases. The African Court on Human and Peoples' Rights has recently started the process.

Madam Speaker, my Ministry will have a consultation with the Attorney General's Office and the Ministry of Foreign Affairs, Regional Integration and International Trade on the implication of this Opinion.

Madam Speaker, I wish to also inform the House that during the 25<sup>th</sup> EU-China Summit held on 24 July 2025 in Beijing, the European Union and China have issued a joint statement declaring their intention to raise their respective ambitions to meet global greenhouse gas emissions targets and ensure successful outcomes for the forthcoming COP30.

Thank you.

**Madam Speaker:** Thank you.

Hon. Prime Minister!



**PUBLIC BILLS***First Reading*

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

- (a) *The Finance Bill (No. XVIII of 2025).*
- (b) *The Rodrigues Regional Assembly (Amendment) Bill (No. XIX of 2025).*
- (c) *The Economic and Financial Measures (Miscellaneous Provisions) Bill (No. XX of 2025).*

*Second Reading***THE FINANCE BILL (No. XVIII of 2025)****&****THE RODRIGUES REGIONAL ASSEMBLY (AMENDMENT) BILL****(No. XIX of 2025)****&**

**THE ECONOMIC AND FINANCIAL MEASURES (MISCELLANEOUS  
PROVISIONS) BILL (No. XX of 2025)**

*Order for Second Reading read.*

(3.19 p.m.)

**The Prime Minister:** Madam Speaker, with your permission, I beg to move that the following three Bills be read second time, as I mentioned, and considered together, that is –

- The Finance Bill (No. XVIII of 2025);
- The Rodrigues Regional Assembly (Amendment) Bill (No. XIX of 2025), and
- The Economic and Financial Measures (Miscellaneous Provisions) Bill (No. XX of 2025).

2. Let me start with the first Bill, that is, the Finance Bill. The objective of the Bill is to provide for the implementation of the budgetary measures announced in the Budget of 2025-2026 and its Annex, relating to taxation and national finance. It also covers all connected, consequential and incidental matters.

Just to make it very clear, especially for the newly elected Members, this Bill is not reopening the debate on the Budget. The Bill is only to translate into legal terms the



measures already announced in the Budget Speech and its Annex and which have been agreed by the National Assembly.

3. Madam Speaker, to steer our nation out of the abyss that the previous government has landed us in, we have set in motion three fundamental shifts in the Budget –

- (a) First, a shift to a new and resilient economic model;
- (b) Second, a shift towards a revitalised social pact, and
- (c) Third, a shift to greater fiscal responsibility.

4. The Bill amends several key enactments to ensure the effective achievement of these objectives.

5. I will present the most significant legislative changes associated with each key area of the Budget, beginning with reforms tied to a new and resilient economic model.

### **A New and Resilient Economic Model**

#### **Financial Services Act**

6. This Bill brings about several amendments to the legal framework governing the financial services sector, in particular to enhance investigation powers of the regulatory authorities, to improve efficiency, governance and competitiveness, while at the same time expanding the spectrum of products.

7. Accordingly, Clause 20 of the Finance Bill amends the Financial Services Act to, amongst others –

- (a) enable the Financial Services Commission (FSC) to conduct special investigations at the request of a foreign supervisory institution, and initiate an investigation against the person who ought to have been licensed under the Financial Services Act or any other relevant Acts;
- (b) provide that holders of the Global Business License have at least 2 directors resident in Mauritius at all times and that the FSC be kept informed of any change in directors within 7 days, and
- (c) provide that the oath of confidentiality, immunity and protection to be extended to any other person assisting an appointed investigator by the FSC.

#### **Bank of Mauritius Act**

8. Madam Speaker, for the Bank of Mauritius, the Act and the Banking Act being amended at Clauses 2 and 3, respectively, to *inter alia* –

- (a) provide for Bullion Banking as the new authorised private banking activity and enable banks licensed to carry out exclusively private banking business to *inter alia* buy, hold, store or sell gold or other precious metals with the authorisation of the Bank of Mauritius;
- (b) empower the Bank of Mauritius to allow any Know Your Customer (KYC) institution, licensed by itself or the FSC, to become a participant in the central KYC System or the Central Account Registry, and
- (c) broaden the regulatory scope of the Bank of Mauritius by including foreign exchange swaps and other transactions which may be construed as the buying and selling of the foreign currency under the activities of licensed foreign exchange dealers.

#### **Mauritius Deposit Insurance Scheme Act**

9. Madam Speaker, Clause 34 for the Mauritius Deposit Insurance Scheme Act, we are amending it, to, among others –

- (a) allow the Mauritius Deposit Insurance Corporation Ltd (MDIC) to invest the assets of the Deposit Insurance Fund;
- (b) empower the MDIC to impose administrative penalties not exceeding Rs50,000 per day for the submission of inaccurate or misleading information by member institutions during examinations, and
- (c) clarify that officers of the MDIC will only be indemnified when they act in the proper discharge of their duties under the Act.

#### **National Payment Systems Act**

10. Clause 38 amends the National Payment System Act to define “account information service”, “money remittance”, “payment account” and “payment initiation services” in order to support the licensing, supervision and regulation of payment service providers under the Act.

#### **Co-operatives Act, and Financial Intelligence and Anti-Money Laundering Act**

11. Clause 10 amends the Co-operative Act to, *inter alia* –

- (a) provide for on-site inspections and directions issued by the Registrar of Co-operatives;
- (b) provide for administrative sanctions and compounding of offences;

- (c) allow credit unions to appeal against decisions of the Registrar of Co-operative to the Review Panel already set up under the Financial Intelligence and Anti-Money Laundering Act (FIAMLA). Consequential amendments are being made to the Financial Intelligence and Anti-Money Laundering Act in Clause 19.

### **Sugar Industry Efficiency Act**

12. In line with the Government's commitment to modernise land management practices and to promote sustainable agricultural use, for the Sugar Industry Efficiency Act, the Bill actually brings about important amendments to the Act.

13. At Clause 57 –

- (a) the term “cultivation” is being broadened to include food crops, fruits, medicinal and ornamental plants, in addition to sugarcane and tea;
- (b) the land transfer tax and registration duty are being waived for employees of the sugar sector receiving land through approved early retirement schemes excluding the VRS, ERS or Blue Print schemes;
- (c) Section 28B is being repealed to stop the practice of abandoning agricultural land for 10 years as a way to obtain non-agricultural conversion without paying the conversion tax;
- (d) new guiding principles are being introduced to regulate the high quality agricultural, and
- (e) the Rose Belle Sugar State Board is now classified as a specified entity to enhance its capacity to manage and develop its land and assets. There will be an amendment to Clause 57 at Committee Stage in that regard.

### **Construction Industry Authority Act**

14. Clause 7 amends the Construction Industry Authority Act by, *inter alia* –

- (a) upgrading the Contractor Grading System;
- (b) empowering the Authority to maintain a register of adjudicators for construction disputes, and
- (c) aligning its financial reporting requirements with statutory standards.

### **Freeport Act**

15. Clause 22 amends the Freeport Act to allow the freeport operator to engage in activities relating to specified vintage items such as auction of paintings, sculpture, photography, antiques, coins, stamps, wine and gold bars.

### **Bill Exchange Act**

16. Madam Speaker, Clause 4 amends the Bill of Exchange Act to promote the use of electronic bills of exchange and thus improve efficiency and reduce cost.

### **Competition Act**

17. Clause 6 amends the Competition Act to broaden the functions and enhance the powers of the Competition Commission.

### **Consumer Protection Act, Essential Commodities Act, Fair Trading Act and Hire Purchase and Credit Sale Act**

18. Clause 8, 15, 17 and 24, amends the Consumer Protection Act, the Essential Commodities Act, the Fair Trading Act, and the Hire Purchase and Credit Sale Act in the relevant sections to empower an authorised officer to, amongst others –

- (a) swear an information and conduct prosecution in respect of an offence under the Act before a Magistrate, and
- (b) carry out investigation and enquiry to ascertain whether the provisions of the Act are being complied with.

### **Consumer Protection (Price and Supplies Control) Act**

19. Clause 9, amends the Consumer Protection (Price and Supplies Control) Act to –

- (a) require online traders to affix the prices of goods and services offered for sale, and
- (b) empower an authorised officer to conduct an investigation with a view to ensuring that the provisions of the Act are being complied with.

20. Madam Speaker, in the Budget Speech, we also spoke of our commitment to re-engineer our key institutions and restore their credibility and effectiveness. We also

announced that we will close down institutions and organisations that have become obsolete and/or are grossly underperforming.

### **Economic Development Board Act**

21. In Clause 13 is, therefore, the Economic Development Board Act is being amended to repeal the provisions relating to the Mauritius Africa Fund (MAF) given that the Company will be closed and its functions will be integrated within the Economic Development Board.

### **Maurice Stratégie Board Act**

22. Similarly, Clause 33 repeals the Maurice Stratégie Board Act while integrating its function with the Ministry of Financial Services and Economic Planning and providing for the transfer of its staff to the Economic Development Board.

23. Madam Speaker, to support the new economic architecture, we announced a series of incentive schemes to be implemented by the Economic Development Board. The Bill, therefore, provides for the enabling clause for the implementation of the Innovate Mauritius Scheme, the Land Repurposing Scheme, Waste-to-wealth Investment Scheme and the Heritage Stewardship Scheme.

24. In line with the strategy announced in the Budget Speech to give a big push to research and development and innovation, the Bill also provides for investments in research laboratories to be eligible under the Premium Investor Scheme.

25. I now turn to legislative amendments to support budget policies aimed at modernising the way business transactions and processes are carried out while reducing administrative hassles and costs.

### **Inscription of Privileges and Mortgages Act, and Transcription and Mortgages Act**

26. Clause 27 and Clause 59 amend the Inscription of Privileges and Mortgages Act, and the Transcription and Mortgages Act, respectively, to enable the Conservator of Mortgages to accept documents or deeds originating from regulated entities which have been signed using a secure electronic signature as per the Electronic Transaction Act, provided that there is declaration to that effect in the deed or the document.

### **Non-Citizens (Employment Restriction) Act**

27. Clause 43 amends the Non-Citizens (Employment Restriction) Act to allow for the electronic application and issuance of a work permit, and for the issuance of a combined work and residence permit.

### **Small Farmers Welfare Fund Act**

28. Clause 52 amends the Small Farmers Welfare Fund Act to empower the Small Farmers Welfare Fund to charge fees for application of registration of small farmers.

### **A Revitalised Social Pact**

29. Madam Speaker, now I turn to the amendments relating to the second pillar of the budget, namely the shift to a revitalised social pact.

### **Gambling Regulatory Authority Act**

30. In order have stricter control on gambling authorities, clause 23 amends the Gambling Regulatory Authority Act to provide for enhanced oversight mechanisms, tighter control over gaming devices and harsher penalties for non-compliance. It also promotes transparency through international cooperation and electronic monitoring.

31. In this context,

- a) the Gambling Regulatory Authority Board is being empowered to enter international MOUs for exchange of information and capacity building and to manage digital gaming licences.
- b) limited payout machines will have to be certified by an accredited gaming lab, compliant to the relevant standards with severe controls on data and software changes;
- c) all betting terminals will have to be registered with the Director General of the Mauritius Revenue Authority and be connected with the Central Electronic Monitoring System;
- d) it will be mandatory for a licensee to notify the Gambling Regulatory Authority of any appointment, removal or resignation of its Money Laundering Reporting Officer, Deputy Money Laundering Reporting Officer or Compliance Officer;

- e) regulation of advertisements in relation to gambling activities will be strengthened. There will be an amendment at the Committee Stage to cater for a lottery operator;
- f) an Inter-Agency Coordination Committee will be set up for the combatting of illegal betting, and
- g) the GRA will register and regulate specified stakeholders, including sweepstakes retailers and technicians.

### **Immigration Act**

32. Madam Speaker, to ensure that our immigration policy is in line with our national interests, clause 25 amends the Immigration Act to increase oversight and align permit regulations as follows –

- a) An age gap of 24 years is being introduced for dependent children of permit holders;
- b) A joint committee will be established and supported by an electronic platform to streamline occupation permit applications;
- c) The deposit or bank guarantee requirement for companies hiring expatriates will be replaced by an annual non-refundable fee per worker, and
- d) Special provisions relating to occupation permit and permanent residence introduced during COVID-19 pandemic will be repealed.

### **Greater Fiscal Responsibility**

33. Madam Speaker, I now come to the main provisions in the Bill relating to the imperative and urgent need for fiscal consolidation.

34. First on the revenue side.

### **Income Tax Act**

35. Clause 26 amends the Income Tax Act to provide for the following –

- a) The monthly exemption threshold for employees is being raised from Rs30,000 to Rs38,462;
- b) Businesses earning more than 50% of their turnover in foreign currency will be required to pay tax in foreign currency. However, banks will be allowed to pay the portion of tax related to local non-global business clients in Mauritian rupees. Again, there will be an amendment at Committee Stage to provide for a technical adjustment for the definition of global business entity;

**Fair Share Contribution High-Income Earners**

- c) A fair share contribution is being introduced. Individuals with annual chargeable income, including dividends exceeding Rs12 million will pay a 15% contribution on the excess. This measure will apply for three consecutive years, that is, from 01 July 2025 to 30 June 2028. It is worth noting that dividends distributed by global business companies to non-residents and lump sums will be exempted;

**Tackling Tax Avoidance in Strategic Sectors**

- d) A new Alternative Minimum Tax is being introduced for companies in sectors where profitability does not always reflect the tax paid. These include hotels, insurance companies, financial intermediation, real estate and telecommunications. Companies will pay either the normal tax or 10% of adjusted book profits, whichever is higher.

**Implementation of Global Tax Standards**

- e) Madam Speaker, we are also introducing the Qualified Domestic Minimum Top-Up Tax in line with our international commitments under OECD's Global Anti-Base Erosion (GloBE) Rules. This tax ensures that multinational enterprises with annual global revenue of 750 million euros or more pay an effective tax of at least 15% in Mauritius. The tax will be payable for the year of assessment, starting the 01<sup>st</sup> of July 2025.

I wish to reassure the House that the Bill provides flexibility for exclusions from the tax, if required, by way of regulations. In addition, a special tax credit will be worked out together with the Mauritius Revenue Authority and in consultation with relevant stakeholders and will be implemented by way of regulations to provide relief to those companies that will become subject to the global minimum tax.

**Rationalising Incentives – Focus on SMEs**

- (f) SMEs with turnover not exceeding Rs100 million will continue to benefit from several tax deductions and incentives, including triple deduction on donations to NGOs. SMEs will also benefit from a new deduction for investments in Artificial Intelligence technologies.



### **Strengthening Compliance and Administration**

- (g) Madam Speaker, we are also introducing several administrative and compliance related reforms, including –
- reduced penalties for late payment, excess loss claims and erroneous refunds;
  - limiting MRA's power to raise assessments only to two past years;
  - raising the tax filing threshold to Rs500,000, and
  - requiring gambling authorities to report ticket numbers on winnings.

### **Support for Export-Oriented Enterprises and Vulnerable Groups**

- (h) To cushion businesses and protect jobs, we are providing for the legislative amendments relating to the monthly Financial Support Scheme for Export-Oriented Enterprises, NGOs and selected sectors such as BPO, transport and construction to meet salary compensation and the National Minimum Wage commitments.

### **Other Key Measures**

- (i) Other measures include –
- phasing out of the Housing Loan Relief Scheme by June 2027;
  - provision for a 5% investment tax credit for all small businesses acquiring new equipment;
  - capping of penalty and interest at 100% of the tax due;
  - updating rules around foreign dividend exemptions, bullion profits and virtual asset service providers;
  - clarifying the entitlement to the partial exemption regime, and
  - removal of tax holidays for SMEs operating as tourism operators, training institutions are providing professional services.

### **Value Added Tax Act**

36. Madam Speaker, clause 61 includes a wide-ranging set of amendments to the Value Added Tax Act with three overarching objectives –

- i. To bring digital services into the VAT net;
- ii. To ensure equity through the fair share contribution, and

iii. To strengthen enforcement and compliance.

37. I will again circulate an amendment relating to VAT to clarify this. The cap of 35% will apply to the fair share contribution payable by banks in respect to section A, banking transactions only, that is domestic banking. The amendments provide for the implementation of the following measures –

- a) Zero rating of frozen and canned vegetables as well as fruit vegetable purées for infants;
- b) VAT refunds will be available for harvesting services provided to planters under the VAT Refund Scheme for Small Planters;

#### **Taxing the Digital Economy**

- c) VAT is being extended to digital or electronic services offered by foreign suppliers to consumers in Mauritius, and
- d) Foreign suppliers will have to register for VAT, pay the VAT in foreign currency and submit the returns electronically.

#### **Strengthening Compliance and Penalties**

- e) To reinforce the integrity of the VAT system –
  - penalty and interests are being capped at 100% of the tax due.
  - Fines for failure to comply with the provisions of the Act are being substantially increased.

#### **Fair Share Contribution for Businesses**

- f) A fair share contribution is being introduced for companies and banks with chargeable income and supplies exceeding Rs24 million per annum, the raises are as follows –
  - 5% for companies' tax at 15%;
  - 2% for companies' tax at 3%, and
  - for banks, an additional 2.5% will apply on income from resident transactions.
- g) Companies will not be allowed to offset unused tax credit against this contribution.
- h) However, global business entities and companies benefitting from tax holidays or income tax exemptions will be exempted.

- i) To ensure equity, the total tax burden for banks and telecom operators, including all other levies will be capped at 35% of chargeable income.

### **VAT Registration Threshold Adjustments**

- j) To broaden tax coverage, the VAT registration threshold is being reduced from Rs6 million to Rs3 million in turnover.

### **Excise Act**

38. Madam Speaker, clause 16 of the Bill amends the Excise Act to provide among others –
- a) the validation of the measures passed by resolution in the National Assembly on 05 June 2025, namely the increase in the excise duties on –
    - sugar-sweetened products;
    - alcohol;
    - tobacco, and
    - vehicles.
  - b) An increase in the annual excise licence fees for wholesalers and retailers of alcoholic beverages.

### **Customs Act**

39. Madam Speaker, the Bill introduces key amendments to the Customs Act, with a view to improving operational efficiency, enhancing fairness in enforcement, and aligning customs procedures with international standards. This includes limiting MRA's power to raise tax assessments to only two past years, unless there are exceptional circumstances. This provision will also be made in the Excise Act and VAT Act so as to provide greater legal certainty for stakeholders.

40. With a view to discouraging frivolous objection at the Objection Directorate of the MRA against payment of taxes due, an aggrieved person will be required to pay 5% of the amount of taxes underpaid capped at Rs5 million. The VAT Act and the Income Tax Act will be amended in the future to align with this rate to ensure consistency.

### **Mauritius Revenue Authority Act**

41. Madam Speaker, Clause 35 brings significant reforms to the Mauritius Revenue Authority Act, aimed at modernising tax administration, facilitating dispute resolution and enhancing compliance.

- (a) A formal system for the registration of tax agents is being introduced to allow them to prepare tax returns and act on behalf of taxpayers.
- (b) A Tax Dispute Settlement Scheme is being introduced to encourage taxpayers with pending cases at the Assessment Review Committee, the Supreme Court, or the Privy Council, to withdraw their cases and settle their outstanding tax. They will benefit from a full waiver of penalties and interest, provided that they pay their tax due by 31 March 2026.
- (c) A Voluntary Disclosure Settlement Scheme is being introduced, offering taxpayers the chance to regularise the undeclared or under-declared income or taxable supplies by 31 March 2026 to benefit from a 100% waiver on penalties and interest.
- (d) The Tax Arrears Supplement Scheme is being reconducted to help taxpayers clear existing tax debts as at 30 June 2025. They will be granted a full waiver of penalties and interest, provided they register by 30 November 2025 and settle their dues by 31 March 2026.
- (e) The MRA is being empowered to enforce the collection of contributions in respect of the Portable Retirement Gratuity Fund under the Workers' Rights Act, and the Tourist Fee under the Tourism Authority Act.

#### **Economic Development Board (Smart City Scheme) Regulations 2015**

42. Madam Speaker, the Bill introduces important amendments to the Economic Development Board's Smart City Scheme Regulations with the aim of enhancing fairness and refocusing incentives.

- (a) First, the smart city companies and developers will now be required to pay a Smart City Fee.
- (b) Second, most of the fiscal incentives currently granted to smart city companies and developers will be removed as from 01 July 2027.
- (c) Third, the existing 8-year income tax holiday for smart city promoters and developers, who received their Smart City Certificate before 05 June 2025, is being preserved.

I will, again, circulate an amendment at Committee Stage to provide for the grandfathering of all fiscal incentives to a smart city project issued with a Certificate or a Letter of Intent or a Letter of Comfort prior to 05 June 2025 instead of granting a moratorium of two years only for VAT exemption.

### **Land (Duties and Taxes) Act**

43. Clause 29 also amends the Land (Duties and Taxes) Act to provide for, amongst others –

- (a) the increase in the rate of land transfer tax applicable to the sale of residential property to non-citizens from 5% to 10%, effective as from 01 July 2026. A one-year moratorium will be granted to allow sufficient time for concerned stakeholders to adjust to a new rate and honour any ongoing commitments under existing agreements, and
- (b) renewing the Arrears Payment Scheme for one more year to allow any person who settles his or her tax debt by 31 March 2026 to benefit from a full waiver of penalties and interest.

### **Registration Duty Act**

44. Madam Speaker, the Bill amends the Registration Duty Act to –

- (a) allow deeds and documents signed with secured electronic signatures to be registered, and
- (b) provide for the increase in registration duty on the acquisition of residential property by non-citizens under the EDB Property Scheme or Ground Plus Two Scheme from 5% to 10%, with effect from 01 July 2026.

### **Tourism Authority Act**

45. Clause 58 of the Bill amends the Tourism Authority Act in order to –

- (a) introduce a new Tourist Fee as from 01 October 2025 for tourists staying in designated establishment, and
- (b) extend the validity period of the Tourist Accommodation Certificate and the Tourist Enterprise Licence from one to three years.

### **Native Terrestrial Biodiversity and National Parks Act**

46. In the same vein, the Bill amends Native Terrestrial Biodiversity and National Parks Act to provide for a levy of USD 400 to be charged on each primate exported from Mauritius. Out of this, USD 300 will be credited to the Consolidated Fund and USD 100 will be credited to the National Parks and Conservation Fund.

### **Social Contribution and Social Benefits Act**

47. I come to the expenditure side now, Madam Speaker.

48. The previous government had planned to end abruptly the different CSG allowances, namely the CSG Income Allowance, the Child Allowance, the School Allowance, the Maternity Care Allowance, and the Pregnancy Care Allowance. As a compassionate Government, we are ensuring that the CSG allowances are renewed and gradually phased out over the next two years. The Bill, therefore, provides for the necessary amendments to the Social Contribution and Social Benefits Act.

49. The Bill also provides that vulnerable individuals and households, registered on the Social Register of Mauritius, will continue to receive these allowances in full as well as the Independence Allowance.

50. Furthermore, the Bill provides for the following –

- (a) the payment of the Disability Allowance to persons over 60 years who are not eligible for the Basic Retirement Pension, but qualify under the income support criteria;
- (b) the increase of the *Revenu Minimum Garanti* Allowance from Rs500 to Rs890 in Financial Year 2025-2026, and a further Rs1,890 in Financial Year 2026-2027, so as to ensure that a full-time worker earns a minimum monthly revenue of Rs20,000, and
- (c) maintaining the Equal Chance Allowance of Rs2,000 per month for households earning less than Rs20,000 monthly.

### **National Pensions Act, Income Tax Act and National Savings Fund Act**

51. Madam Speaker, Clause 39 amends the National Pensions Act to provide for a 5-year transition period, starting 01 September 2025, to align the BRP eligibility age to the retirement age.

52. Furthermore, the Bill amends the Income Tax Act to provide for the payment of a monthly income support of Rs10,000 to individuals aged 60 and above, who will not qualify for the Basic Retirement Pension, subject to eligibility and residency criteria.

53. The Bill also amends the National Savings Fund Act to allow contributors, who cease to work before reaching the new pension age, to access the benefits under the Act.

54. Madam Speaker, I will now elaborate on some key legislative reforms to strengthen fiscal transparency, modernise public financial management, and enhance the credibility of national statistics.

### **Environment Act and National Archives Act**

55. The Bill provides for repealing the relevant sections of the Environment Act and the National Archives Act for the closure of the National Environment Fund and the National Archives Research and Publication Fund.

### **Finance and Audit Act, Statutory Bodies (Accounts and Audit) Act and Local Government Act**

56. Last April, we amended the Finance and Audit Act to enable the re-introduction of Performance-Based Budgeting in Government, with a view to ensuring greater transparency, fiscal discipline and value for money for the management of public resources.

57. The Bill introduces amendments to the Statutory Bodies (Accounts and Audit Act) and the Local Government Act to align the budgeting frameworks of statutory bodies and local authorities with Government's re-introduction of Performance-Based Budgeting.

### **Statistics Act**

58. In line with our commitment to enhance the credibility and independence of our national statistical infrastructure, the Bill brings comprehensive amendments to the Statistics Act. These amendments also aim to modernise the statistical system, boost public confidence, and support more responsible policymaking.

59. In particular, Clause 54 provides for the Director of Statistics to be legally bound to ensure the quality and comprehensiveness of official statistics while systematically engaging users to align statistical outputs with emerging needs.

60. Furthermore, the Bill amends the Statistics Act to facilitate access to and increasing use of the administrative data in line with the international best practices. It also introduces

updated compliance measures, including increased fines, differential penalties for individuals and corporations.

### **Public Debt Management Act**

61. Clause 47, Madam Speaker, provides for the amendment of the Public Debt Management Act –

- (a) to align key definitions in public finance used in the Act with those of the IMF;
- (b) to use the public sector gross debt, instead of the public sector net debt, as the fiscal anchor as it reflects the real debt burden;
- (c) to review the statutory debt target to 75% of GDP by June 2030 and to 60% by June 2035, and
- (d) to reintroduce the requirement for the Minister of Finance to consider the debt ceiling before issuing government guarantees and set an annual limit on guarantees extended to public sector entities.

62. These amendments, Madam Speaker, will strengthen fiscal discipline, reinforce prudent debt management and safeguard fiscal sustainability.

### **RODRIGUES REGIONAL ASSEMBLY (AMENDMENT) BILL 2025**

63. Madam Speaker, let me now come to the second Bill that amends the Rodrigues Regional Assembly Act to provide for the introduction of Performance-Based Budgeting, and the preparation of estimates of expenditure and revenue on a 3-year rolling basis.

64. The Rodrigues Regional Assembly will thus align its budgeting frameworks with that of the Government, the Statutory Bodies and the Local Authorities. As from Fiscal Year 2026-2027, the RRA will prepare the estimates of expenditure based on programmes and sub-programmes, specifying the resources to be allocated and the outcomes to be achieved.

65. I wish to inform the House that the Executive Council of Rodrigues Regional Assembly has been consulted and is agreeable to the proposed amendments.

### **ECONOMIC AND FINANCIAL MEASURES (MISCELLANEOUS PROVISIONS) BILL**

66. Finally, Madam Speaker, I will turn to the third Bill: The Economic and Financial Measures (Miscellaneous Provisions) Bill. The purpose of the Bill is to provide for the implementation of economic and financial measures announced in the Budget Speech and its



Annex as well as some related matters but which do not strictly concern the budgetary measures although related to them.

### **Animal Welfare Act**

67. Clause 2 amends the Animal Welfare Act to strengthen the enforcement mechanisms and empower police officers to arrest offenders directly.

### **Central Electricity Board Act, Central Water Authority Act, Declaration of Assets Act and French-speaking Union Act**

68. The Bill amends –

- (a) the Central Electricity Board Act and the Central Water Authority Act to update board representation;
- (b) the Declaration of Assets Act to provide for a uniform 30-day deadline for new declarations, and
- (c) the French-speaking Union Act to fix a cross-referencing loophole.

### **Higher Education Act**

69. Clause 10 amends the Higher Education Act, to amongst others, allow recognition of micro-credentials and establish an Academic Research Committee to oversee a national research framework. It strengthens accreditation requirements, and allows recognition of international credit systems.

### **Workers' Rights Act**

70. Furthermore, in a move to support compassionate employment practices, Clause 11 amends the Workers' Rights Act to expand leave entitlements to allow workers to care for a spouse with health issues, in addition to their parents and grandparents.

### **Proposed amendments at Committee Stage**

71. Madam Speaker, as I mention, I will bring some amendments to the Finance Bill 2025 at Committee Stage and I again say, it relates to –

- (a) Clause 13, relating to the Economic Development Board to provide for the monthly salary of a professional to be at least Rs30,000 instead of Rs50,000;
- (b) Clause 23, relating to the Gambling Regulatory Authority –
  - (i) to review the manner in which an advertisement and a communication on a gambling activity is made to the public;

- (ii) to allow a lottery operator, in addition to a gaming or betting company, to sponsor race meetings in Mauritius and to do any advertising and publicity to that effect in Mauritius, and
- (iii) to allow a lottery operator to conduct its activities through remote communication against an annual fee of Rs5 million as is the case for the other operators.
- (c) Clause 26, relating to the Income Tax Act, to provide for a technical adjustment to the definition of a 'Global Business Entity';
- (d) Clause 57, relating to the Sugar Industry Efficiency Act to reinstate some of the provisions relating to conversion of agricultural land to other purposes and exemption from payment of land conversion tax;
- (e) Clause 61, relating to the Value Added Tax to clarify the cap of 35% which will apply to the Fair Share Contribution payable by banks, as I said, in respect to Segment A of banking transactions only, and
- (f) Clause 63, relating to the Economic Development Board (Smart City Scheme) Regulations to provide for the grandfathering of all fiscal incentives to smart city project issued with a certificate or a letter of intent or a letter of comfort prior to 05 June 2025 instead of granting a moratorium of 2 years only for VAT exemption.

73. I will also make some amendments, which are technical in nature to bring clarity to certain clauses of the Bill.

## **CONCLUSION**

74. Madam Speaker, as I bring the Second Reading speech to a close, I wish to reaffirm the profound political commitment of this Government to the principles that have guided the formulation of the Budget 2025-2026 and that are firmly embedded in our Government Programme 2025-2029. At the heart of our vision lies a bold determination to forge a more inclusive, innovative and forward-looking Mauritius – one that features fairness, resilience and sustainable progress.

75. Our policies are putting Mauritius firmly on the road towards national transformation. These Bills give us the necessary legal framework to implement a budget shaped by the realities of today but rooted in the aspirations of tomorrow.

76. Some may question our ambition and the reforms we are implementing. But I say – if not now, then when? Because we have to do it now! The time to act boldly, to think big and deliver lasting results is now. These Bills and the budget we have presented rise to that sacred call with unshakable resolve.

77. We are rebuilding with confidence that we will succeed in taking our country from the abyss to prosperity, and rebuilding the bridge to the future as one nation and as one country.

78. Thank you, Madam Speaker.

79. I commend the Bills to the House

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

**Madam Speaker:** Yes! Will you move for the adjournment, hon. Leader of the Opposition?

**Mr Lesjongard:** Yes, thank you, Madam Speaker.

With your permission, I move that the debate be now adjourned.

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

**Madam Speaker:** Thank you very much.

*Question put and agreed to.*

*Debate adjourned accordingly.*

## **ADJOURNMENT**

**The Prime Minister:** Madam Speaker, I beg to move that this Assembly do now adjourn to Tuesday 29 July 2025 at 11.30 a.m.

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

*Question put and agreed to.*

**Madam Speaker:** The House stands adjourned!

*At 3.59 p.m., the Assembly was, on its rising, adjourned to Tuesday 29 July 2025 at 11.30 a.m.*

