

CABINET DECISIONS – 29 MAY 2015

1. Cabinet has taken note that Moody's Investors Service has maintained the current **Baa1** sovereign credit rating for Mauritius with a stable outlook. A mission from Moody's visited Mauritius on 6 and 7 May 2015 and had discussions with stakeholders on the economic, institutional and fiscal strength of the country. According to Moody's, Mauritius has an impressive record of resiliency, good economic, institutional and fiscal strength, and low susceptibility to event risk. The economic outlook remains healthy and it is supported by appropriate fiscal and monetary policies. The Financial Sector regulation is broadly in line with international standards. In the case of the BAI crisis, Moody's recognizes that Government's decision to bail out depositors and policyholders had the advantage of being swiftly implemented, avoiding panic behaviour, and a deposit run on other banking institutions.

2. Cabinet has taken note of the setting up of the Small and Medium Enterprises One-Stop Shop at SICOM Tower, Ebène, as announced in the 2015 Budget. The One-Stop Shop would provide, under one roof, support services and facilities required for SMEs and microenterprises to start and grow businesses. In addition to the SME Bank, the One-Stop Shop would house the following Units –

- (a) the *General Business Development Services Unit* that would carry out a screening exercise to determine the requirements of SMEs, provide appropriate information to potential entrepreneurs, and assist in the drafting of business plans;
- (b) the *Licensing, Permits, Clearances and Registration Unit* where license issuing bodies would be present and be responsible for the issue of the required permits and clearances within the minimum delay;
- (c) the *Productivity Improvement, Certification, Capacity Building and Research and Development Unit* which would provide facilities relating to improvement of products, identify training needs and arrange for capacity building;
- (d) the *Incubator and Industrial Estates Facilities Unit* which would identify and prepare space and other physical infrastructure that may be required for the start and development of an enterprise;
- (e) the *Specialised Business Development Services Unit* which would be serviced by business consultants to provide technical assistance for project development and growth;
- (f) the *Export, Trade Promotion and International Markets Unit* which would be responsible to explore potential exportable products and markets; and
- (g) the *Monitoring and Evaluation Unit* which would constantly oversee all activities being conducted under the One-Stop Shop and take immediate remedial action on any bottleneck/constraint that may occur.

3. Cabinet has taken note of arrangements being made for the repayment of investments made by individuals and charitable organisations in Bramser Services Bonds, the Hennessy Capital Ltd, and the Bramer Asset Management Ltd, which was managing the activities of A.L.E.E.F. Ltd; the Emerging Africa Bond Fund; the Hennessy Investment Trust; the Bramer Property Fund Ltd; and the Discretionary Portfolio Management. Investors who have invested less than Rs500,000, would be paid on 31 July 2015; and other investors, having invested Rs500,000 or more would be issued zero-coupon debentures by the National Property Fund Ltd on 31 July 2015. The debentures would be redeemed in five annual tranches, i.e., 31 July 2016, 31 July 2017, 31 July 2018, 31 July 2019 and 31 July 2020.

4. Cabinet has agreed to the implementation of the revised Road Decongestion Programme over a period of six years as from financial year 2016/2017 in line with Government Programme 2015-2019. The projects would comprise, among others, grade separation, and link roads. The projects would lay the foundation of a high quality modern public infrastructure and transportation system, and create the necessary additional capacity in terms of road traffic, transportation and economic development needs for the next 10 years and beyond. The total estimated cost of the projects is Rs15.5 billion.

5. Cabinet has taken note that the Minister of Social Security, National Solidarity and Reform Institutions would make the National Pensions (Non-Citizens and Absent Persons) Regulations under the National Pensions Act to provide, among others, for –

- (a) a non-citizen working in an export manufacturing enterprise becoming an insured person if he or she is still in employment in that sector after two years;
- (b) a non-citizen working in any enterprise, other than an export manufacturing enterprise, becoming an insured person as from the first day he or she is working; and
- (c) the payment of contributions to the National Pensions Fund and the National Savings Fund accordingly.

6. Cabinet has taken note that the 2050 Pathways Calculator for Mauritius would be launched on 17 June 2015. The Pathways Calculator is an interactive user-friendly tool, available on the net, that allows non-experts to develop their own combination of levels of change in different technologies and sectors of the economy to explore different energy and Green House Gas emissions scenarios up to 2050. The Pathways Calculator is used in 26 countries, including India, China and South Africa.

7. Cabinet has agreed to the enlistment of the services of a Consultant to prepare a Strategic Plan for the establishment of Mauritius as a regional petroleum hub, taking into consideration the increase in demand for petroleum products, and the liberalisation of bunker activities.

8. Cabinet has taken note that the Dragon Boat Festival would be celebrated on 7 June 2015 at Le Caudan Waterfront, Port Louis. In this context, the Ministry of Arts and Culture, in collaboration with the Embassy of the People's Republic of China, and other organizations would, among others, organize a Dragon Boat race competition, a *défilé* of dragons, cultural items, and a programme by the Chinese Heilongjiang Provincial Arts Troupe of the People's Republic of China.

9. Cabinet has agreed to the implementation of the Memoranda of Understanding and the Bilateral Air Services Agreements concluded with Austria, the Czech Republic, Iceland, India, Indonesia, Kenya, the United Republic of Tanzania and Uganda during the International Conference on Air Navigation held in Indonesia in November 2014. Agreements had been reached on multiple designations, increase in additional weekly frequencies to Mauritius, codeshare and cooperative arrangements between Air Mauritius and airlines of the respective countries and cargo operations between and beyond the territory of the contracting parties. The implementation of the Agreements would further liberalize air services and improve connectivity with other countries.

10. Cabinet has agreed to Mauritius bidding to host the Secretariat of the SADC Youth Union. The main objectives of the Union are to –

- (a) foster integration, unity and cooperation among national youth coordinating bodies and civic society youth in the SADC region;
- (b) research, advocate and lobby for the mainstreaming of views and interests of young people in the SADC region, and at international level; and
- (c) cooperate with Member States, the SADC Secretariat and its relevant structures, intergovernmental bodies, non-governmental organizations and the private sector in youth development programmes and activities in the SADC region.

11. Cabinet has taken note that an International Symposium on '*Integrated Water Resources Management and Infrastructure Planning for Water Security*' would be held in Mauritius in October 2015. The main objectives of the Symposium are to promote interaction among policymakers, academics, practitioners from water and related sectors; identify regional issues, gaps and priorities that require further research, and support the promotion of sustainable development of water resources.

12. Cabinet has taken note of the outcome of the recent mission of the Minister of Foreign Affairs, Regional Integration and International Trade to Madagascar, where he participated in the 30th Meeting of the Council of Ministers of the Indian Ocean Commission (IOC). Decisions adopted by the Council relate to -

- (a) the improvement of air, maritime and digital connectivity to better connect the IOC region to the world;
- (b) the setting up of a "*Centre régional de fusion d'informations maritimes*" in Madagascar, and a "*Centre de coordination opérationnel*" in the Seychelles; and
- (c) the holding by IOC of a Blue/Ocean Conference.

The Council also took note of the judgment of the Arbitral Tribunal of the United Nations Convention on the Law of the Sea regarding the creation of a Marine Protected Area around the Chagos Archipelago.

13. Cabinet has taken note of the performance of the Export-Oriented Enterprises Sector for the period January to March 2015 as compared to the corresponding period in 2014. Increase had been recorded in the value of exports of yarns and fabrics (+7.5%) and shirts (+9.3%). Increase had also been recorded in exports to the Netherlands (+44.4%), the United States (+4.3%) and South Africa (+16.5%). In order to boost and give a new impetus to the Sector, the Ministry of Industry, Commerce and Consumer Protection, in collaboration with stakeholders, has taken a number of measures, including the design of an Export Development Plan for implementation as from July 2015, the implementation of Export Readiness Programmes by Enterprise Mauritius, and the design of an overarching and comprehensive National Export Strategy.

14. Cabinet has taken note of the outcome of the recent visit of the Minister of Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Islands to Agalega and of measures taken for the sustainable socio-economic development of the island, namely –

- (a) solicit technical assistance from the Coconut Development Board to develop new niches;

- (b) instill in the inhabitants an entrepreneurial spirit by encouraging youngsters; and
- (c) further develop the fishing sector.

15. Cabinet has taken note of the appointment of Mr Ravi Rajanah Dhaliah as General Manager of the State Trading Corporation. Mr Dhaliah holds an MBA and a degree in Mechanical Engineering from the University of Mauritius, and is a registered Trainer in Management and Engineering fields with the Mauritius Qualifications Authority. He is currently responsible for the B2B commercial activities of Vivo Energy Mauritius Ltd.

16. Cabinet has taken note of the reconstitution of –

- (a) the Executive Committee of the National Youth Council with Miss Raksha Ramlohl as Chairperson; and
- (b) the Board of the State Trading Corporation with Dr Ramchandra Bheenick as Chairperson.
