

**COOPERATION**  
**European Union – Republic of Mauritius**

# **JOINT ANNUAL REPORT**

**2008**

**Final: 23 March 2009**  
**Up-date: 14 August 2009**

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## Executive Summary

Mauritius has made significant progress in advancing the reform agenda since 2006/07 which has helped to cushion the economy from the global financial crisis to a large extent. In 2008, economic growth reached 5.2 %, slightly down from 5.4% in the preceding year. However, growth remains diversified with 3.2 % in tourism, 5.5 % in sugar, 7.5 % in real estate and 11 % in construction and 13 % in banking. Moreover, the transport and communications sector continues to grow strongly at 7.1 %, including 15 % growth in ICT. Investment as a ratio of GDP is expected to rise for a third consecutive year to 25.4 %, driven mostly by the private sector, including FDI which has reached MUR 7 billion at end October 2008.

The first impact of this global crisis on Mauritius has been modest, but depending on its depth and duration, this may have severe repercussions on the key sectors of the economy. As a response, and as part of the reform agenda, the Government introduced a two-year period Stimulus Package in December 2008 for an envelope of some MUR 10.4 billion to shore up economic performance and unlock an extra 1 to 1½ % growth annually.

Regarding the European Commission assistance to Mauritius, more than 80% of its grants are channeled in the form of budget support to finance the economic reform programme. The first general budget support programme, Improved Competitiveness for Equitable Development (ICED I), was launched in 2007 to contribute to the sustainable economic development of the country. The second phase of the programme, ICED II, is being funded from the EC Accompanying Measures (2008), and builds upon the results obtained during the ICED I with an additional focus on environment protection, more particular the wastewater sector. Mauritius also benefited from additional funds under the Fluctuation in Export Earnings (FLEX) mechanism to mitigate the adverse effects of instability of its agricultural export earnings. Sectoral budget support for the Wastewater Sector Programme under the 9<sup>th</sup> EDF which started in 2003/04 ended in 2007/08 whilst the Decentralised Cooperation Programme (DCP) supporting the Non State Actors will be completed in 2010 and will be succeeded by another programme under the 10<sup>th</sup> EDF.

In addition to the assistance from the EC, other external development partners, including the Agence Française de Développement, (AFD), the African Development Bank (ADB), the UNDP and the World Bank (WB), have been supporting the government reform programme in the form of direct budgetary support as well as technical assistance to assist with the overall implementation of the economic reform programme. Coordination among external partners has progressed significantly with the holding of regular joint missions and consultations including an Annual Business Plan Meeting in February. The Government also held a Joint Country Programme Review in September, 2008 to improve dialogue process with its Development Partners.

In 2006, wide consultations took place with non-state actors including members of civil society and local authorities, on the main thrust of the 10<sup>th</sup> EDF CSP as well as on the programming of the sugar accompanying measures and governance related issues. In 2007, the dialogue with NSAs continued in particular with regard to the sugar sector reform with several meetings and targeted consultation held with the various

stakeholders, especially with small planters. In 2008 consultations continued with NSAs in the context of the general economic reform programme. The NSAs also participated in discussions on the Decentralised Cooperation Programme. Moreover, meetings on the EC-Mauritius cooperation relationship in the context of the ETR conclusions and JAR 2006 as well as a mission of representatives of the European Economic and Social Committee offered the opportunity for NSAs to participate. Finally, a preliminary meeting was organised by the NAO's office and the Delegation on 10<sup>th</sup> March 2009 to discuss the first draft of the JAR 2008 and Government's commitments as regards to good governance. Participants included representatives of Mauritian NGOs, trade unions, various federations and relevant public institutions, local authorities and Ministries involved in cooperation activities with the EC. The meeting was well attended and the two EU member states present in Mauritius were also present. The Delegation is exploring options to restructure the dialogue with NSAs in order to render it more focussed on specific sectors and themes and to hold it at more regular intervals. The need of a structured mechanism for dialogue between NSAs, Government, private sector and donors has been raised on several occasions but no concrete proposal has been developed yet.

With regards to governance commitments, the Government remains fully committed to implement these as foreseen. At the same time, the African Peer Review Mechanism (APRM) was completed in 2008 and the Self Assessment Report and Programme of Action for Mauritius being finalised. A country Review Mission led by members of the APR panel is expected in July 2009.

Commitments and disbursements under 9<sup>th</sup> EDF have proceeded as planned, with a total of € 67,984,833 committed and € 60,398,299 disbursed, of which € 22,328,607 in 2008 as payments for the WSPSP (€ 4,301,422), the DCP (€ 4,658,016), TCF (€ 126,639).

## **1. Update on the political, economic and social situation**

### **1.1 Update on the political situation and governance**

During 2008, the political scene remained unperturbed. No national and local elections took place and the Government coalition led by the Labour Party maintained the majority in the National Assembly.

Important progress has been noted in the commitments taken under the governance profile, as detailed in the Mauritius 10<sup>th</sup> EDF CSP. Parliamentary democracy has been functioning smoothly and the new reforms of the judiciary proposed by Lord Mackay are being implemented since 2007. The Bill towards the restructuring the Supreme Court into a High Court of Appeal and a Court of Appeal has been finalised and the Attorney General's Office has been divided into three units with dedicated staff to each unit. As regards political governance, the Equal Opportunity Bill was passed in the National Assembly in December 2008, while a number of Bills, the Human Rights (Amendment) Bill, the National Preventive Mechanism Bill, the Police Complaints Bill and the DNA Bill are being finalized.



Consultations in view of the African Peer Review Mechanism (APRM) of the New Partnership for Africa's Development (NEPAD), which were launched in June 2007, has been completed and the Self Assessment Report and Programme of Action for Mauritius being finalised. A country Review Mission led by members of the APR panel is expected in July 2009.

A Public Enterprise Reform Unit has been set up within the Ministry of Finance and Economic Empowerment to oversee and coordinate the parastatal reform process initiated in 2007 and help create a parastatal performance and reform information system.

Progress made under the various governance commitments taken by the Government in the context of the 10<sup>th</sup> EDF programming is indicated at annex...

## **1.2 Update on the economic situation**

While most countries in the rest of the world have been facing recession due to the global financial crisis, the Mauritian economy has performed relatively well in 2008 with a GDP 5.2%, although slightly below the performance of 5.4% registered in 2007. The economic reform strategy initiated in 2006 has borne fruits and has put the economy back on a higher and balanced growth path and this despite of economic turbulences in the external environment. The effectiveness of the reforms and the robustness of the financial system have opened the economy and made it more versatile and resilient. The strengthening of the emerging sectors to diversify the economic base has created good capacity to offset the negative effects of external shocks. At the same time, the reforms have provided the fiscal space and have built up investor confidence crucial to cushion the adverse impact of the international financial and economic crisis.

Unemployment has declined. FDI has soared and private investment recovered fully from its worst performance in many years. The textile industry was no more mired in deep depression. Construction and tourism were booming. The seafood and the ICT sectors were doing well. A new wave of SMEs has been rising. New sectors are firming up their roots to become additional pillars. Jobs are being created at more than twice the rate prior to reforms. And net international reserves have increased.

In 2008, investment, exclusive of aircraft and marine vessel, grew by 6.5% compared to a high growth of 17.0% in 2007. Private sector investment which has been increasing since 2006 (15.2% in 2006 and 24.5% in 2007) slowed down in 2008 with a growth of 7.9%, mainly due to investment in hotels and IRS projects as well as in commercial and office buildings. Public sector investment on the other hand rebounded in 2008 with a growth of 0.4% after contractions in 2005, 2006 and 2007.

The unemployment rate fell from 9.1% in 2006 to 7.8% in 2008 as economic activities improved. On the other hand, the inflation rate for the calendar year 2008 was 9.7% compared to 8.8% for the calendar year 2007. This was mainly due to high food prices which increased by 11.7% from 2007 to 2008.

Building on the reforms put in place in the 2007/08 budget, the 2008/09 budget has formulated a new wider programme, called the Attractive, Modern, Inclusive, Green and Open economy (AMIGO) plan, which sets out the agenda for action and outlines what the main elements of an economic development strategy over the next decade and beyond should encompass. A new approach to control fiscal space has been presented in the Public Debt Management Act 2008. As noted by the IMF in its latest Assessment letter (December 2008), under the impact of the fiscal reforms, the overall deficit was lowered to 3.4 % of GDP in 2007/08 from 5.4 % in 2005/06 while public sector debt was reduced to about 60 % of GDP in June 2008 from close to 70 % in June 2005.

In pursuit of a place among the top ten economies in the world on the ease of doing business, various procedures have been further simplified and the system of business licensing has been streamlined and simplified to make compliance easier, less time consuming and less costly. World Bank's Doing Business 2009 places Mauritius at the top in Africa and 24<sup>th</sup> world wide as compared to 29<sup>th</sup> in last year's report.

In 2008, food security has emerged as a critical issue. Given the limited land area, Mauritius is seeking to partner with other countries in the region to increase food production through a Regional Food Security Initiative (RFSI) that is viable, sustainable and operators of the private sector ready to engage investments. On the local front, a Food Security Fund has been established and a draft three year strategic plan for Food Security has been prepared. The plan includes the mobilisation of additional land resources, including in Rodrigues, with irrigation facilities to grouped small farmers; the production of crop, meat and milk; the upgrading of veterinary services, food technology laboratory; the construction of four fibre-glass fishing boats, the setting up of a fish cage-culture, the construction of one semi-industrial fibre-glass fishing boat and the training of skippers and mechanics.

In December 2008, government announced another series of measures under its additional stimulus package of MUR 10.4 bn in view of shoring up economic performance and contain the impact of the global financial crisis. The focus of the stimulus package is on fast-tracking and frontloading of existing public infrastructure projects, new investments in public infrastructure, accelerating private sector investment, improving business climate, building human resource capacity, and supporting vulnerable sectors such as the SME, export oriented & manufacturing and tourism. The economy is forecasted by the Government to grow by 4.0% with the implementation of the additional stimulus package. The IMF in its latest forecast projected a lower growth of around 2% which, given the international environment would still be an achievement.

Following the Public Finance Management (PFM) assessment financed by the EC in June 2007, steps are being taken by Government to implement the PFM reforms as recommended by the Public Expenditure and Financial Accountability (PEFA) methodology to improve on areas where scores are lower than A. The Government has drawn up a detailed Action Plan to address the weaknesses of the PFM system and a number of measures have already been taken, namely the preparation of a new chart of accounts, the inclusion of extra budgetary funds in detailed reporting and risk monitoring, the application of a PBB Manual, creation of a database for tax arrears, and new systems and policies for tax collection, among others. Moreover, in view of making bidding

procedures more transparent, efficient and accountable, a Procurement Policy Office has become operational since January 2008, under the Public Procurement Act 2006. However, certain operational aspects of the legislation may need to be revisited to improve them and Government has initiated the process for a review.

At the regional level, Mauritius initialed an EPA interim agreement in December 2007. The agreement covers a WTO Compatible Market access offer, a chapter on development as well as provisions on fisheries. Mauritius has been negotiating within the ESA region and so far 5 ESA countries i.e, Madagascar, Comoros, Seychelles, Zimbabwe and Zambia have initialed an EPA interim agreement. The ESA region was expected to conclude negotiations in 2008. However, given that discussions were not completed on several critical issues including services, trade related issues such as competition policy and investment; it was agreed at the last ESA Council meeting that negotiations would be extended to 2009. Negotiations are expected to continue in 2009 on all outstanding issues with a view to concluding a full and comprehensive EPA, namely, Customs and trade facilitation, Rules of origin, Trade defense mechanism, Outermost region, TBT and SPS, Services, Trade related issues, Investment, IPR, Agriculture, Development.

Mauritius regards trade liberalisation as an effective route to promote growth, development, and poverty reduction in Africa and elsewhere. Mauritius is actively supporting and participating in the establishment of an effective Free Trade Area (FTA) embracing COMESA, SADC and EAC and wants to achieve a fully effective FTA within the region and eventually an FTA with the EU in the context of EPAs and with the US as a natural evolution of AGOA. The Tripartite SADC-EAC-COMESA Summit in 2008 called for a harmonised approach on trade policies and recommended the establishment of an enlarged FTA in the region. All these moves would serve to make the region attractive to foreign direct investment (FDI) and a subsequent integration of the region into the global economy.

Mauritius continues to strengthen ties with key trading partners including India with which a Comprehensive Economic Co-operation and Partnership Agreement is being negotiated. A PTA between Mauritius and Pakistan was signed in June 2007 and entered into force in November 2007. Discussions are underway between the two Parties on the conclusion of a FTA. Mauritius also obtained the third countries fabric derogation in 2008 under the US's African Growth and Opportunity Act (AGOA), after extensive lobbying. A Trade and Investment Framework Agreement (TIFA) has been signed with the US in 2006 and work is ongoing to operationalize the agreement with cooperation in selected sectors/themes.

### **1.2.1 Mauritius external sector**

#### **External trade**

Mauritius is a small export-oriented economy, which is dependent on fuel imports for local energy consumption, manufactured goods and food & live animals from abroad. Share of exports of goods in GDP for 2008 was 25.8%. Level of coverage of imports by exports in 2008 was 51.6% (including re-export). Trade deficit in 2008 represented 24% of GDP (including re-export values).

The major export products of Mauritius are apparel & clothing (40.2% of total exports in 2008), sugar cane (13.9%), fish and fish preparations (13.5%) and machinery and transport equipment (6.3%) (see table 1 in Annex I d). The most important export destination for Mauritius remains by far Europe, with 68% of total goods exported. Mauritian goods are exported mainly to UK, France, USA, Madagascar, South Africa, Italy, Reunion and Belgium (see table 2 in Annex I d).

Mauritius is mainly importing mineral fuels and lubricants (21.4% of total imports in 2008), machinery and transport equipment (19.8%), manufactured goods (18.9%) and food and live animals (18%) (see table 3 in Annex I d). The imported goods come mainly from Asia, in particular from India (23.4%) and China (11.5%). Other important import countries for Mauritius are South Africa, France, Japan, Australia, USA, Spain, Germany (more details in table 4 in Annex I d).

### **Terms of trade**

The Export Price Index (EPI) provides an overall measure of pure price changes (in Mauritian rupees) of domestically produced goods exported to other countries. The Import Price Index (IPI), on the other hand, measures price changes (in Mauritian rupees) of goods purchased from other countries (excluding transactions through the Freeport activities). The weights used for the compilation of the indices have been derived from trade data for the year 2002 while the year 2003 is used as reference year (i.e. 2003=100). A rise in this ratio indicates that the terms of trade have moved in favour of Mauritius. During the fourth quarter of 2008, export prices increased by 2.3% over the previous quarter while import prices went down by 8.6%. Consequently the terms of trade index increased by 8 percentage points to reach 75.

### **Foreign Direct Investment (FDI)**

Foreign Direct Investment has increased four-fold between 2005 and 2008. This is partly attributed to the successful implementation of bold measures to improve the investment climate that were part of the first generation of economic reforms in Mauritius as from 2006. For 2008 the overall FDI level was slightly lower than 2007, it represented 4.1% of GDP. The financial sector attracted 40% of FDI in 2008, followed by hotel and tourism sector with 35% and real estate with 16.5%. Regarding the source countries, Europe, especially UK, continues to be the main provider of FDI. However in the recent past the inflow of FDI from India, United Arab Emirates and South Africa has increased substantially (see table 5 in Annex I d).

FDI inflows from Africa, Asia and America have increased significantly from 2006 to 2008. The countries with highest FDI increase are India, South Africa and USA. It seems that Mauritius is reaping the benefits of aggressive economic and diplomatic cooperation with the Asian countries, especially India, which has historical ties with the island. On the other hand a significant decrease in overall FDI inflow from Europe can be observed, which is connected with the economic slowdown especially in the UK.

### **Future Perspectives**

Better sugarcane harvest is expected in 2009/10 due to the impact of the sugar reform in connection with favorable weather conditions, thus sugar exports are expected to rise.

Export of fish and fish preparations, one of the government's priority sectors for expansion, will increase as a share of total exports. It is worth mentioning that due to the increased pirates' activities in the Indian Ocean, there are many uncertainties for the fish industry in the whole region. Export of apparel & clothing, which amounted to 40% of total exports in 2008, is expected to decrease substantially in 2009 due to reduced demand in their main markets, i.e. UK and USA.

### **1.3 Update on the poverty and social situation**

The Government is continuing its efforts of promoting an inclusive growth with balanced, sustainable economic development, by integrating the families who are at the margin of development, eradicating absolute poverty, and by further broadening the circle of opportunities. Although the proportion of population living in extreme poverty (defined as < 1\$ per person per day) was less than 1% in 2006/07, Government is committed to combat poverty in all its forms and wherever it exists.

The Empowerment Programme has been an important tool to reskill those who have lost jobs in declining sectors, to reintegrate those who are left behind and to prevent those on the periphery from sliding into poverty. Since the 2008/09 Budget, the Empowerment Programme is run by a state-owned, not-for-profit company-the National Empowerment Foundation. An Eradication of Absolute Poverty (EAP) Programme is also in place to help fight the battle against poverty. This is an integrated development project to be executed within the 229 identified pockets of absolute poverty. The EAP Programme is being implemented through a five track partnership, bringing together the entire range of social partners, including, socio-cultural organizations, NGOs, the corporate sector, development partners and the various levels of government. The Trust Fund for the Integration of Vulnerable Groups is also playing a key role in facilitating the integration of the vulnerable groups in the mainstream of development.

UNDP is assisting the government to develop a Social Register (a database on actual and potential beneficiaries of social welfare programmes). Data from the 'Living Conditions Survey' (LCS), conducted by the Central Statistics Office through a co-funding from the Decentralised Cooperation Programme in November 2008, together with the 2006/2007 Household Budget Survey will be used to determine a national absolute poverty line and other income thresholds based on basic needs of household. The poverty line is expected from the UNDP consultant by June 2009.

Government has also revamped, consolidated and strengthened its social housing schemes. The traditional housing programmes have been strengthened through the construction of additional housing units. In parallel, a Social Housing Fund has been set up to receive and manage the 1,000 arpents of land and improve financing for housing by developing and overseeing a new and ambitious programme to build new mixed housing communities on a PPP basis. Since its inception, the Fund has initiated activities relating to the rehabilitation of NHDC estates and infrastructure for social housing and support for affordable housing to bring down the cost of mortgages.

Government's commitment to its social development is reflected in the remarkable progress achieved in meeting the Millennium Development Goals (MDGs). Mauritius's

ranking on the Human Development Index has moved from 0.662 in 1980 to 0.781 in 2000 to 0.804 in 2005. Mauritius has been able to meet most of the 8 Goals, except in the areas of women in political decision-making and HIV/AIDS prevalence.

### **1.3.1 Gender and children issues**

In line with the provisions contained in CEDAW (1984), SADC (1995/1998) and other Regional and International Instruments to which the Country adheres to, Mauritius is well equipped to combat discrimination related to gender, for instance, the Protection from Domestic Violence Act, the Sex Discrimination Act and recently the Equal Opportunities Act which was passed in December 2008. Mauritius is a party to the Beijing Platform of Action and has also identified gender-based violence as one of the critical priority areas at the Fourth World Conference on Women in Beijing. Mauritius has also signed the Protocol to the African Charter on Human and People's Rights on the Rights of Women in Africa and its ratification is in process.

On the local front, an Action Plan to Combat Domestic Violence was launched in November 2007, spelling out the roles and responsibilities of all stakeholders concerned to combat domestic violence.

Government has adopted a shift from the "Women in Development" approach to that of "Gender and Development" and has adopted a Gender Management System (GMS) derived from the 1995 Commonwealth Plan of Action on Gender and Development. Through the support of the UNDP and the ILO, a 'Capacity Building for Gender Equality and Empowerment of Women' project is being implemented to strengthen the National Gender Machinery (NGM) (2005-2009). The project adopts a multi-pronged approach that will in the long term create in Mauritius, an environment that will ensure the development of policies, legislation, financial and economic mechanisms that will promote gender equality in the social, economic and political spheres, and at the same time, enhance women's empowerment.

Mauritius is poised to be one of the pioneering countries in the African region to implement principles of gender responsive budgeting. Government has approved a National Gender Policy Framework (NGPF) as an overarching framework that provides the guiding principles, broad operational strategies and institutional arrangements for achieving gender equality at the national level. The NGPF supports a strategic partnership at the levels of the media, private sector, civil society organisations and Government to promote gender equality. The Framework also calls upon each Ministry/Department and institutions to formulate their own sector-specific gender policy and as part of strategic budgeting initiatives, key entry points for engendering the programme based budgeting (PBB) exercise have been identified with pilot Ministries. To date 4 Pilot Ministries have formulated their sectoral gender policies.

Also, technical expertise will be provided to pilot Ministries to assist in the engendering of their respective non financial Programme Based Budgeting (PBB) exercise for the financial year 2010/2011 and to build their capacity on gender responsive budgeting. Given the success of the first pilot phase, four additional Ministries have been included in the pilot scheme.

To tackle the issue of high female unemployment and to create more opportunities and open greater space on the labour market for women, the Empowerment Programme and the Trust Fund for have continued to provide financial support, training and technical advice to women. In 2008, around 1900 female employment seekers registered with the Empowerment Programme have been trained and placed /obtained a job/ joined a business network/become self employed/benefited from the Circular Migration Programme.

The protection and development of children rank high in the agenda of the government. Mauritius has ratified several important international human rights and instruments, the latest being the Optional Protocol to the CEDAW, in October 2008. Mauritius ratified the Optional Protocol to the CRC on Involvement of Children in Armed Conflict on 12 February 2009. Moreover, the Government is also making necessary arrangements to introduce new legislations and amending existing ones prior to ratifying the Optional Protocol on Sale, Child Prostitution and Child Pornography.

The Child Protection Act 1994, which was amended in December 2005 to make provision for all cases of child trafficking, abandonment and abduction, was further amended in December 2008, to provide for a Child Mentoring Scheme in view of providing individual guidance and support to adolescents with behavioural problems who may also be prone to becoming victims of commercial sexual exploitation and child violence in general.

In line with Government programme 2005-2010, which highlights the need to strengthen the enforcement mechanism of the Protection from Domestic Violence Act, further amendments were brought to the Act in 2007, whereby provisions have been made for alimony, counseling instead of sentence and harsher penalties for failing to comply with court orders.

Since January 2008, crackdown operations have been conducted islandwise at regular intervals by Officers of this Ministry, the National Children's Council, the Brigade des Mineurs (Police Department), in collaboration with NGOs to ensure that young persons and students are attending schools during normal school hours. Such operations are seen to contribute to prevent young persons from playing truancy and loitering around thereby getting involved in illicit activities.

Moreover, the Ministry of Women's Rights, Child Development and Family Welfare (WRCDFW), has also step up activities under its various ongoing programmes, for instance the National Parental Empowerment Programme", the Outreach Programmes in deprived regions, the Community Child Protection Programme and the Day Care/Drop-in-Centre, the provision of psychological support and group therapy for the successful rehabilitation and reinsertion of children victims of sexual abuse and exploitation, and sensitization and awareness campaigns among others.

### **1.3.2 Education and Training**

Mauritius is investing heavily in education to sustain its growth and promote its global competitiveness. Government is committed to ensure life-long employability and lifelong

learning will permit youngsters to receive an education which will render them equipped to deal with a world which is constantly posing new challenges.

An Education & Human Resources Strategy Plan (EHRSP) has been formulated, through EC funding, in line with the vision of providing access to learning opportunities for all and developing a human resource base to transform Mauritius into an intelligent nation state through the development of a culture of achievement and excellence. Central to this Plan is the universalisation of opportunities for quality education at all levels, right from pre-primary through to post-secondary education subsectors, and for the training sector.

A comprehensive and effective action plan to increase enrolment ratio at tertiary level is also being implemented. The short term actions will be accompanied by a medium term strategy to significantly increase the share of each cohort of primary students going to HSC and to tertiary education so as to double the enrolment ratio by 2015.

Government has also established a Human Resource Development, Knowledge and Arts Fund which finances physical infrastructure for tertiary education, projects to equip individuals with access to information, knowledge, technology, training and skills, student loan schemes and scholarships; schemes to encourage and support local artists; and initiatives to foster the arts and creativity.

A Second Chance Programme has been introduced to focus on skills which could facilitate selection by the Circular Migration programmes that are being set up with Canada and France and pursuing with other countries.

Government is continuing its support to ZEP schools to address the issues of poor educational achievement at the end of their primary school cycle and the high school drop out. The 2008/9 budget further consolidated the ZEP programme through the Eradication of Absolute Poverty (EAP) programme. The EPA/ZEP philosophy is based on the premise that positive reinforcement is required to create favorable learning conditions for children living mostly in less developed regions. Through this programme, government is offering a comprehensive package (food, clothing, housing, transport and access to early childhood care and education programs) directed to just over 7000 of the poorest families. While every effort is made to get 5000 children of pre-school age to register for young child integrated programs, parents from these families are encouraged to join in programs that include Parents Empowerment and functional literacy programs.

The Empowerment Programme has also been complementing the ZEP programme through community empowerment to facilitate participation and improve performance of children from poor families. The activities of the Empowerment Programme have been scaled up to improve human resources capacity, through training and re-skilling programmes so as to ensure that employability and adaptability of the population.

Latest educational statistics revealed that pre-primary schools numbered 1,070 in March 2008 with an enrolment of 36,242 children (50% boys, 50% girls). The Gross Enrolment Ratio (number of students enrolled per 100 population aged 4 to 5 years) worked out to 94% with an average of 14 pupils per teacher. At the primary level, Gross Enrolment Ratio (number of students enrolled per 100 population aged 6 to 11 years) was 101% and



the pupil/teacher ratio 29. CPE pass rate which was 67.93% in 2006 dropped to 66.17% in 2007 but improved to 67.4% during 2008. On the other hand, CPE pass rate in ZEP schools declined from 36.5% in 2006 to 36.0% in 2007 and 35.9% in 2008. Absenteeism rate in ZEP schools which was 15.7% in 2007 dropped to 12.9% in 2008. As regards HSC, the pass rate fell from 79.3% in 2006 to 77.8% in 2007 and rose slightly to 78.7% in 2008. In 2008, 54 tertiary institutions, both public aided and private, were operational as compared to 47 in 2006 and 51 in 2007. As regards enrollment, tertiary level enrolment was around 40% in 2007.

Government is also setting up a Regional Multidisciplinary Centre of Excellence (RMCE) as an integral part of the long term strategy to move Mauritius to a service hub for the region. The purpose of the RMCE is to provide a bilingual professional training and advisory facility in the area of Regional Economic Integration and would serve as a capacity building hub for the region, including COMESA, SADC, IOC and IGAD member countries as well as for the Small States Network for Economic Development (SSNED). Training areas would be wide-ranging to cover public sector capacity building needs of the region, without excluding the private sector dimension. Two training activities have already taken place in 2008 under the aegis of the RMCE, with the support of COMESA; the RMCE also benefited from the collaboration of AFD for one of the workshops. Given that the RMCE would rely on significant outsourcing of training, cooperation and exchange with other institutions is of special importance

### **1.3.3. Health**

Health care in the public sector, from primary to curative care, and high-tech medical care, including amongst others cardiac surgery, angiography, renal dialysis and transplantation, corneal transplant and neurosurgery, is provided free of any cost at the point of use, to the entire population. The Republic of Mauritius endorsed the Alma-Ata Declaration on Primary Health Care (PHC) in September 1978. PHC has remained since then the linchpin of the health care system of the country and which aims at bringing about a more equitable distribution of health resources with greater accessibility to primary health care and its supporting services to the community. Secondary health care services are delivered through two hospitals at the district level and five regional hospitals.

All hospitals have their own laboratory departments for undertaking tests in biochemistry, haematology, histology, microbiology, parasitology and they also operate a blood transfusion service (except at district hospitals). The Central Health Laboratory caters on a large scale for pathological tests for both the public and private sectors. A specialised Virology Unit also operates under the aegis of the Central Laboratory. The hotel services in the health delivery system form an integral activity of the hospital services. The SAMU ambulance service operates at the existing five health regional levels.

The Cardiac Centre is managed by the Trust Fund for Specialised Medical Care. It is a 62-bedded institution, specialised in cardiac surgery, angioplasty and other cardiac interventions. Besides, only regional hospitals provide specific services for newborns and for children up to 12 years (paediatric).

Out of the total number of 1,444 medical practitioners in the country in 2007, 844, including 257 specialists, were employed in the public sector and the remaining 600 were practising exclusively in the private sector. This implies that there was one medical practitioner for approximately every 1,000 inhabitants. In 2007, 64 dentists were performing in the public sector and 164 in the private sector, whereas the total number of pharmacists both in the public and private sectors was 327.

On the health - related Millennium Development Goals (Goal 4: Reduce child mortality and Goal 5: Improve Maternal Health), Mauritius places maternal, neonatal and child health amongst its top priorities in its health agenda. Investments in the health of the mother and child, through the delivery of free services at the 144 peripheral health points, throughout the country, have largely contributed towards remarkable progress in attaining the health related MDGs. Under-five mortality rate (per 1000 live births) has decreased by 26% over the past seventeen years, from 23.1 in 1990 to 17.1 in 2007. Further, infant mortality rate (per 1,000 live births) has decreased by 25% from 20.4 to 15.3 over that period. The coverage rate for immunization against measles has increased from 85% in 1990 to 99% in 2007. The maternal mortality ratio was 36 per 100,000 live births in 2007. This ratio stood at 66 in 1990 with a lowest ratio of 15 in 2002. It is also worth noting that the proportion of births attended by skilled health personnel, 91% in 1990, stood at 99.6% in 2007.

On Goal 6: Combat HIV/AIDS, malaria and other diseases, it is to be noted that the first case of HIV and AIDS in Mauritius was detected in 1987. The estimated prevalence rate of the disease in the adult population is 1.8%, equivalent to 12,600 people living with the virus. The reported cases as at the end of 2008 were around 3,671 among Mauritians. 75% of them were infected through Injecting Drug Use and 22% were attributed to sexual intercourse. The National HIV and AIDS Strategic Framework 2007 – 2011 has been formulated in line with UNAIDS “Three Ones” guiding principles and in close collaboration with all stakeholders. Its implementation is at present underway. This Strategic Framework aims at re-engineering primary prevention activities for groups with high-risk behaviour and at improving the quality of life of people living with HIV/AIDS (PLWHAs) through integrated comprehensive clinical management of cases, care and support. A National AIDS Secretariat and a National Monitoring and Evaluation Unit were set up under the Prime Ministers’ Office in 2007.

The Ministry of Health and Quality of Life is also implementing the Harm Reduction Strategies, namely the Methadone Substitution Therapy and the Needle Exchange Programme to reduce the prevalence of infection. Aggressive sensitization campaigns aiming at changing behaviours of targeted population and the setting up of sentinel surveillance are the milestones of ongoing strategies. The HIV and AIDS legislation ensures an effective legal framework to implement the Needle Exchange Programme, eliminate all forms of discrimination and stigma, assure the full enjoyment of human rights by people living with HIV and AIDS, voluntary counselling and testing and ensure the confidentiality of test results.

The prevalence of tuberculosis in Mauritius is relatively low. Evidence-based information indicates that the incidence has remained stable during the past decade. It is around 15 to 100,000 people, a figure which is close to that of developed nations. Treatment of

tuberculosis is in accordance with the protocol laid out by the World Health Organisation and consists of short course chemotherapy which is standard. Fixed combination drugs have already been introduced. DOTS is being implemented in Mauritius since 1995. Anti-TB drugs are purchased from laboratories recommended by the World Health Organization

Mauritius eradicated malaria in 1973. Not a single case of indigenous malaria has been reported for period 1998-2008. Most of the preventive measures are carried out by Government Services. The population is encouraged to eliminate mosquito breeding grounds in immediate surroundings, seek medical attention in cases of fever and take prophylaxis when travelling to a malarious country. The malaria surveillance programme, which includes amongst others, surveillance in-vivo monitoring for resistance of malaria parasites to drugs, entomological surveillance, residual spraying and larviciding is being implemented on a sustainable basis.

#### **1.4 Environment**

In view of ensuring that development is both sustained and sustainable, government is putting a lot of emphasis on meeting the highest environmental standards and of developing Mauritius into a green economy. The 2008/9 Budget Speech announced the setting up of a Maurice Ile Durable (MID) Fund to support efforts to protect the environment through recycling, to encourage more efficient use of energy and to increase reliance on renewable energy. The implementation of these measures is expected to reduce the emissions of Green House Gases (GHG). Especially with regard to environmental sustainability in the tourism sector, the Government of Mauritius has introduced ambitious long term objectives in order to reach excellent environmental standards. One of these is the introduction of a solid Waste Management Authority. In addition, resource consumption is planned to be monitored steadily to improve consumption more efficiently in the future. Besides, the government also launches sustainability assessments and Energy Plans.

A new National Environment Policy (NEP) has been formulated to reconcile environmental sustainability with economic and social development, and with the ultimate goal of providing better quality of life to the Mauritian population. The new NEP 2007 was adopted by Government in February 2008 and implementation is in progress.

Moreover, Mauritius, in collaboration with UNEP, has developed a National Programme for Sustainable Consumption and Production (SCP) for Mauritius for the period 2008-2013. SCP aims at fundamentally changing the way societies produce and consume, so as to promote social and economic development within the carrying capacity of ecosystems by improving efficiency and sustainability in the use of resources and production processes, and reducing resource degradation, pollution and waste. The Programme, comprising of some 44 projects to be implemented by various ministries, was approved by Government in August 2008 and is currently being implemented.

Besides, a review of the 1999 National Environment Strategies (NES) was initiated in 2007 and completed in 2008 to take on board the evolving and emerging challenges. Government approved the implementation of the review recommendations in December

2008. The reviewed Environment Investment Programme component of the report comprises six priority projects as well as 24 other projects outline briefs, including their respective implementation schedule and year-wise estimated expenditure. A strategy for the Ministry of Environment and NDU, in the context of the Programme Based Budget for 2009-2011, is currently under preparation by consultants.

A Digest of Environment Statistics, published annually by the Central Statistics Office in collaboration with the Ministry of Environment and NDU and several other organizations, provides an update on the flora, fauna, atmosphere, water, land and human settlements. The second National Communication for Mauritius, under the United Nations Framework Convention on Climate Change, is currently under preparation.

## **2. Overview of past and on-going cooperation**

Given the Government's plan to reform the entire economy, including the Sugar Sector, the EC support was characterised in 2007 by the introduction of a general budget support programme - Improving Competitiveness for Equitable Development (ICED), financed from allocations under the Sugar Budget Line and 9th EDF ETR top-up. In this context, EC and other development partners providing general budget support made tremendous progress toward donor coordination and harmonisation both during the planning and monitoring phases. Efforts have also been directed to improve coordination of the technical assistance provided to line Ministries through Annual Business Planning (ABP) exercises that are held in February since 2007.

Particular efforts were also directed to ensure that the phasing out of the two ongoing sector policy support programmes (wastewater and sugar) were accompanied by measures geared toward the sustainability and continued policy dialogue. A link has been ensured between the past and future budget support programmes through the introduction of two indicators related to sugar in the new ICED programme.

For the wastewater sector, efforts were mainly directed at supporting the institutional reform and setting up a comprehensive environmental monitoring and audit system at the national level. In addition, the existing donor coordination mechanism is committed to assist and support the development and implementation of the new National Sewerage Master Plan.

As regard to the sugar sector, after the signing of the "5 December 2007 deal" between government and the private sector, significant progress was made in the implementation of the Multi Annual Adaptation Strategy. As for the Decentralised Cooperation Programme, several calls for proposals were launched in 2008 with focus on poverty alleviation, good governance, SMEs and natural resource management in Rodrigues. Several agreements were negotiated to push forward the implementation of activities in collaboration with relevant local institutions such as the HRDC, the Trust Fund for Social Integration of Vulnerable Groups (TFSIVG), the Central Statistics Office (CSO) and other development partners' programmes, particularly UNDP.

### **2.1 Reporting on the financial performance of EDF resources**

#### Achievement of financial targets

The table hereunder shows the achievement in percentage as at 31 December 2008.

Indicator	MAURITIUS
% Decommitments on Global Financial Commitments	102 %
% New Global Financial Commitments	n/a
% New Individual Financial Commitments	82 % (113%)
<b>PAYMENTS</b> % as per original targets	109 %

New Individual Commitments (Achieved 82 %)

- As a result of the late approval of the two ICED I FLEX funded projects amounting up to 11,470,000 € were not committed contrary to what was anticipated in the January 2008 forecast. As both are on a regional budget this does not appear in HQ's achievement rates that show 113 % for individual commitments.

Payments (Achieved 109 %)

- The disbursement of 3,612 m € for the waste water budget support and the replenishment of 3,2 m € for the DCP Programme estimates, both realised in December 2008, contributed to realise a payment rate above 100%.

**Table comparing initial planning of the 10<sup>th</sup> EDF NIP (as per approved CSP 2008-2013) with the actual situation as per 31 December 2008:**

	Indicative allocation 10 <sup>th</sup> EDF (M€)	Commitments planned in 2008* (M€)	Commitments realised in 2008* (M€)	Realised/ planned (%)	Disbursements realized in 2008 (M€)
General Budget Support	43.5	0	0	0	0
<i>Non focal areas</i>					
- Support to NSAs	5.5	0	0	0	0
- TCF	2.0	0	0	0	0
<b>Total A-envelope</b>	<b>51.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total B-envelope</b>	<b>12.4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total 10<sup>th</sup> EDF NIP</b>	<b>63.4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The draft identification fiches for the GBS III, TCF II and the DCP-Support to Non State Actors have been circulated to NAO for comments. The target to submit them to HQ is end of February 2009.

## 2.2 Reporting on General and Sector Budget Support

No global commitments were planned in 2008 for the 10<sup>th</sup> EDF. It is to be noted that the amendments (ICED I Part 2 & 3) both from Flex resources were signed in October 2008 for the amount of € 11.4 million. The 2008 allocation under the sugar accompanying measures was committed for the second general budget support programme of Mauritius. The wastewater sector budget support and sugar sector budget supports were completed

with success with a satisfactory level of disbursement. The last disbursement under the general budget support programme ICED I was made in December 2008. The Delegation also participated in joint donor missions and meetings to plan technical assistance and assess the implementation of the economic reform programme.

The programming process for the GBS has improved greatly in 2008 with the preparation of the GBS Road Map and the setting up of the GBS Preparation Committee. However this process needs to be further improved and refined in order to promote involvement of all implementing agencies in the programme, with a clear understanding of their role. Other donors also need to be more systematically involved in our programming process. Regarding technical assistance, donor coordination has been strengthened significantly but needs to be further improved especially to facilitate flow of information and complementarity. One way to achieve this is by setting up a Joint donors Pool for technical assistance.

Of a total of €64,552,531 committed in 2008, €36,000,000 was coming from Sugar Budget line. The amount of €36,000,000 was divided into a fixed tranche of €18,000,000 and a variable tranche of €18,000,000 respectively. The fixed tranche of €18,000,000 was fully paid, while only €15,300,000 was paid for the variable tranche, as the indicator for ZEP primary schools in terms of a reduced absentee rate and increased pass rate were both not met (absenteeism increased to 15.7% in 2007 as compared to 15.2% in 2006 and the pass rate decreased by 0.6% from 36.6% in 2006 to 36.0% in 2007). The remaining €28,552,531 was divided as follows: € 8,742,531 under ICED I (9<sup>th</sup> EDF fund), € 300,000 Post Gamede project (B envelope), € 19,510,000 (Flex 2006) which was further divided into two equal fixed tranche of € 9,755,000 each. As far as disbursement is concerned, with the exception of one fixed tranche of € 9,755,000, the remaining balance of € 18,797,531 was fully paid.

## **2.3 Projects and Programmes in the Focal and non focal areas**

### **2.3.1 Projects in the focal areas**

#### ***Wastewater Sector Policy Support Programme***

Following the Mid-term evaluation of the CSP in 2005, a 10M€ top-up was allocated to the wastewater sector and a rider to the Financing Agreement was signed in November 2006. The addendum comprised two additional tranches (4<sup>th</sup> for FY2006/07 and 5<sup>th</sup> for FY 2007/08). The fourth tranche for FY 2006/2007 was disbursed at the end of June 2007 (€ 8.6 million) following the donors meeting held in January 2007. The donors meeting to review progress in the sector in 2007 was finally held in February 2008. Particular attention was given to progress on institutional developments and the new Sector Policy Statement 2008-2013 which have experienced significant delays during 2007. Among the main conclusions of the donors meeting, there was the consensus reached over the need to maintain the sector donor coordination beyond EC's SPSP, and extend it to the water sector, and to reinforce and progressively expand the environmental monitoring to the whole island. Donors provided comments on the revised version of the draft Sector Policy Statement (SPS) submitted by the Government and it was agreed to finalize it by April 2008. Other issues discussed were the forthcoming delegation of the management

of operation and maintenance activities to a private firm, and the signing of MoUs between Wastewater Management Authority (WMA) and Ministry of Renewable Energy and Public Utilities (MREPU) as well as among WMA board and executive direction to clarify respective roles. The donors meeting also acknowledged progress in the implementation of the various National Sewerage Plan projects, although the level of capital investment remained below projections in successive years. This underperformance is primarily due to delays in the procurement and award of contracts.

As a follow up to the two studies carried out in 2006, namely the Institutional Review and Tariff study, the SPS for the years 2008-2013 was reviewed at the donors meeting. The SPS has been approved by the Government, who subsequently raised the tariff as of 1 March 2008 with a view to ensuring the full cost recovery of operation and maintenance expenditure and 25% cost recovery of the depreciation costs. At the institutional level, work has been slow to clarify the respective roles of WMA, its board and the MREPU. MOUs were signed with delays only in July 2008, which led to postponement of the disbursement of the 5<sup>th</sup> tranche of budget support. On the other hand, WMA has strengthened its project implementation capacity through the recruitment of additional engineering staff. Further training to enhance efficiency is required, including for the MPU, with regards to project planning and financing management.

On the basis of the Donors meeting and further documentation, 5 out of the 6 performance indicators for the fifth tranche of budget support have been met: Indicators for house connections, access to the poor, industrial pollution control, implementation capacity and financial sustainability reached the forecasted targets. However the indicator on capital expenditure remained below target for the second consecutive year: i) total capital disbursement in FY2006/07 at MUR 1.125 billion against MUR 1.230 billion, and ii) capital budget for FY2007/08 at MUR 1.134 billion against MUR 1.379 billion set in the Financing Agreement. There has been also additional concern in the second half of 2008 regarding further delays for the evaluation and award of long awaited major reticulation contracts in Plaine Wilhems, despite the coming into force of the new procurement act effective as from 1st January 2008. The fifth tranche was disbursed in December 2008 to the amount of 3.612M€, being the result of partial achievement for the 'Capital expenditure' indicator.

The technical assistance contract with DHV was extended up to December 2008 and reallocation approved through a rider in September 2007, in order to further assist WMA for operation and maintenance, performance indicators and control of pollution /accreditation of WMA laboratories. These tasks were carried out satisfactorily and conducted notably to enhanced WMA treatment plants activities, proposals of key performance indicators and recommendations for the environmental monitoring.

### ***Sugar Policy Support Programme (SPSP)***

Following the presentation of the Government's Multi-Annual Strategy for Sugar (MAAS) in early 2006, and the adoption by the National Assembly of the revision of the Sugar Efficiency Act (SIE) 2001 in February 2007 (to allow more employees to access the voluntary or early retirement schemes and increase the related social benefits) progress was expected in the implementation of the restructuring during 2007, in particular the first phase of the Voluntary Retirement Scheme II (VRS), closure of

factories, and new investments in flexi-factories. However, due to divergences about the implementation mechanism between the Government and the private sector, no progress in the sugar sector reform could be recorded until 5 December 2007, when the Government and the sugar corporate sector reached agreement on the way forward. The Agreement reached on 5<sup>th</sup> December 2007 was indeed signed on 22<sup>nd</sup> of April 2008, following vetting by the judiciary institutions of the Government and minor revisions. Following the agreement, the re-structuring of the sugar sector with regard to factory closure and VRS has progressed rapidly.

In April 2007, the Government adopted the “*Outline of the Energy Policy 2007-2025-towards a coherent energy policy for the development of the energy sector in Mauritius*” which outlines in broad terms the Government’s long term vision for the energy sector while committing to an Action Plan for the short term. An energy study was jointly funded and carried out between August and December 2007 by EC and UNDP/UNEP. The aim of this study was to support the development of a 25 years comprehensive energy policy, including a master plan for renewable energy sources, which the Government has committed to adopt by mid-2008. The final report on the energy study was submitted to the government in June 2008. Government has proposed to adopt the recommendations of the study as its long term energy strategy with minor modifications on certain issues.

As such ambitious reform should occur without adverse impact on the environment, a Strategic Environmental Assessments (SEA) exercise financed under the EC Environment and Tropical Forest Budget line, was undertaken in 2007 to confirm and complete the findings and recommendations of the MAAS (Multi-annual Adaptation Strategy for Sugar Sector) pertaining to environmental issues. The SEA final Report provides recommendations for further actions to mitigate adverse impact of the implementation of the MAAS with regard to the key environmental aspects identified, namely: vinasse management, sugar cane burning, conversion of sugar cane lands to other agricultural uses – impact on water resources, conversion of sugar cane lands in difficult areas and disposal of coal ash. The proper implementation of mitigation and enhancement measures recommended within this SEA should ensure that any remaining adverse impacts on the environment would be offset by the environmental benefits of the MAAS. The follow-up of this study requires the continued involvement of the Government in order to ensure implementation of these recommendations. At the GBS preparation committee, it was proposed to have an indicator on environment related to the Strategic Environment Assessment for the sugar sector.

Finally, it is crucial to point out that despite the sugar sector restructuring programme being still in its implementation phase some notable achievements can already be declared. As such, three years in succession all the targets in the Financing Agreements have been met. Moreover, sugar refinery procedures are advancing very well allowing Mauritius to export at least 60% of white sugar as of 2009.

#### **Improved Competitiveness for Equitable Development (ICED I) – GBS**

The Delegation and the NAO finalized the first General Budget Support programme, in close collaboration with other development partners, namely the World Bank, the Agence Francaise de Développement and the African Development Bank. The new programme is



called Improved Competitiveness for Equitable Development, and it provides € 44.7 million in support of the economic and social reform programme of the Government for fiscal year 2007/2008. The ICED I programme is resourced from the additional allocation under the 9<sup>th</sup> End of Term Review (ETR) as well as the Sugar Accompanying Measures allocation for the year 2007. ICED I supports the overall economic reforms, and specifically the four pillars, namely improved public financial management, increased competitiveness and enhanced business environment, the restructuring of existing economic sectors and the promotion of new ones, and the implementation of social programmes to ensure equity and sustainability. Specific results expected under ICED I are reduction in government primary expenditure as percent of GDP, a progress in the restructuring of the sugar sector, re-employment of unemployed women and improved outputs in primary education in the *Zone Education Prioritaire*. The two Financing Agreements for ICED I were signed on 8 December 2007. The fixed tranche was disbursed in the third quarter of 2008 to the amount of € 27,042,531 (*Financing agreements 9738/MAS and MU/SUGAR/2007/19104*) on account of government having satisfied all the conditions for disbursement. However, the variable tranche was disbursed to the tune of € 15,300,000 out of a maximum of € 18,000,000 (*FA MU/SUGAR/2007/19104*) in the last quarter of 2008 as one of the indicators related to education was not fully met (*Reduce absentee rate by 1% from 15.2 % to 14.2% and increase pass rate by 0.5% from 36.5% to 37.0% in ZEP schools, worth € 2.7 mio*).

An additional amount of € 19.75 million, from FLEX 2006, was channeled through ICED I - Part 2. The funds were to be disbursed in two fixed tranches of € 9,750 million each for the year 2007/2008 and 2008/2009, upon verification of the established general conditions. An amount of € 9,755,000 (*Financing agreement 9880/MAS*) was disbursed in the third quarter of 2008. Further funds received under FLEX 2007 will be added to ICED I. The above is in line with the 10th EDF CSP which states that funds obtained from various instruments will be combined to support the economic reform programme through general budget support.

ICED II represents the second phase of the first GBS Programme for Mauritius. ICED II will be funded from the EC Accompanying Measures for the Sugar Protocol countries budget line (EC AMSP) under which an amount of € 32,323,000 is indicatively available for the year 2008. Two meetings were held in February and March 2008 respectively to discuss the underlying framework of ICED II as well as key sectors to be supported. An AIDCO/DEV mission from EC Headquarters in early March 2008 also confirmed the general orientations, sectors, as well as implementation modalities of ICED II. The signing of the Financing Agreement is being awaited.

### **2.3.2 The development results achieved by projects in the non-focal area**

#### **Decentralised Cooperation programme (DCP)**

The Delegation noted significant progress with the Decentralised Cooperation Programme (DCP) during the reporting period, having successfully launched six calls for proposals covering all the targeted areas. There is also an increased involvement of NSAs noted. Rules and procedures for the DCP have been simplified to the extent possible during the year and this greatly contributed to an increase of the popularity of the

programme. Furthermore, the DCP has, due to the multitude of individual projects in all parts of the country, positively contributed to the visibility and the positive image of the ECD in Mauritius.

The **Non State Actors Capacity Building Programme (NSA CBP)** was set up in August 2008 with technical assistance from UNDP. A Project Coordination Cell (PCC) including a project coordinator, communications and support officer and an International United Nations Volunteer manage the project. An advisory committee comprising of key donors and stakeholders has been set up and two meetings have been held since October 2008. Since its launch, the NSA CBP has taken on 23 trainers in Mauritius and 16 in Rodrigues to be trained as well as 36 non-state actors or beneficiaries in Mauritius and 22 in Rodrigues. A total amount of Euros 302,500 is available for this project.

The **Third Call for Proposal** under the DCP was launched in November 2007 and was aimed at (1) poverty alleviation. A total number of 23 micro-projects received grants totalling 1.66m € in August 2008.

The **Small Grants Window** has also committed 966,511 € to 109 projects. The DCP extended the window until 31 March 2009, when the remaining 378,139 € is expected to be committed.

A sixth call for proposals was launched in October 2008, for the setting up of a **Poverty Observatory**; following a study carried out by a DCP short term expert, and after a stakeholders workshop in September 2008. It was recommended that the Analyst for the Poverty Observatory and the Poverty Observatory to be managed by a research body. In January 2008, the DCP approved the Mauritius Research Council to host the Poverty Observatory for a sum of 49,235 €.

(2) Promotion of good governance:

The **Fourth Call for Proposal** relating to Good Governance was launched in June 2008. 6 micro-projects were awarded a total sum of € 412,226 in December 2008. The DCP has also funded other projects under this component such as the publication of 8 Best practice guides by the Independent Commission Against Corruption for 12,510 €. Another 14,883 euros is expected to be disbursed over the coming months.

(3) Fight against unemployment and support to job creation: Following the three training studies which took place on the SME Sector, a 'Training and Re-Skilling' programme for cadre and low skilled workers was set up in collaboration with the Human Resource Development Council for an amount of MUR 8 million or 186,000 €.

A **fifth call for proposals** aimed at the SME sector was launched in August 2008. A total of 15 micro-projects were awarded a sum of 1.2m €. Projects are currently under way.

(4) Improving natural resource management in Rodrigues:

The DCP is in the process of hiring 2 short term experts on Service delivery and Privatisation to carry out a feasibility study on the setting up of a Rodrigues Water Company. The consultants are expected to carry out the study from mid-February 2009.

Programme Estimate 2 ended in December 2008, and the DCP is now in the third and final PE3, which operates between January 2009 and March 2010 with a budget of 4.77m €, all of which is expected to be disbursed.

DCP Mid-Term Evaluation also took place in January to March 2009. The recommendations of the MTR will be used to prepare the next DCP.

### **Technical Cooperation Facility**

During 2008, the Technical Cooperation Facility I (TCF I, signed for an amount of € 500,000) funded two studies on the development of long-term sector strategies for the education and energy sectors. Both sectors are focal areas of the EC General Budget Support Programme. In addition, a number of training and capacity building activities were sponsored under the Programme Estimate 2 of the Facility. The Technical Cooperation Facility II (TCF II) was signed in November 2007 for an amount of € 590,000 and the PE 1, for a programme value of Rs 2,240,000, became operational as from December 2008 and would last till December 2009.

#### **2.3.3 The development results achieved by support to Non-State Actors**

After cyclone Gamede hit Mauritius' main island in February 2007, an amount of € 300,000 was allocated from the Regional Envelope B to support the Government's post-Gamede Reconstruction Programme. The fund was channelled through a rider to the GBS Programme ICED-I (€ 8.7 million), which was sent to HQs in September 2007. The amount of € 300,000 was disbursed in September 2008.

## **2.4 Other cooperation**

### **2.4.1. FLEX**

Mauritius was found eligible for compensation for export losses to the tune of € 19.51 million in 2006 and € 11.470 million in 2007 under the FLEX programme. These unforeseen funds are being channelled through the current general budget support programme to support the economic reform programme at the request of the Government of Mauritius. An amount of € 9,755,000 representing the first fixed tranche of 2007/2008 from Flex 2006 was disbursed in the third quarter of 2008. In addition, an amount of € 6,470,000 under ICED I Part 2 and € 5,000,000 under ICED I Part 3 respectively from Flex 2007 were approved in the last quarter of 2008.

### **2.4.2. Sugar Accompanying Measures**

Of the allocation of € 36 million for the financial year 2007/2008 under the EC Accompanying Measures for the Sugar Protocol countries (EC AMSP), € 18,000,000 (*i.e* 50%) was disbursed as fixed tranche and € 15,300,000 as variable tranche was disbursed in 2008. This has been combined with an EDF amount of € 8,742,531 million (received as top-up after the end of term review of the 9<sup>th</sup> EDF, for the financial year 2007/2008). This constitutes a total allocation of € 42,042,531 million which was disbursed as General Budget Support under the Improved Competitiveness for Equitable Development Programme I.

### **2.4.3. Fisheries Agreement and Protocol**

There is presently no Fisheries Protocol into force between Mauritius and the EC following the expiry of the 5th Protocol on 3rd December 2007. The main issues of

contention are the reference tonnage of the agreement and commitments in the fight against IUU activities. Building on the 1st round of negotiations and the 1st Technical Meeting held in 2007, the two sides held a second Technical meeting in August 2008 which enabled several issues to be clarified.

Mauritius has proclaimed in 2008 the new Fisheries and Marine Resources Act which regulates all activities related to fishing. Special emphasis is put on combating IUU fishing. In addition, Mauritius in collaboration with Norway has been finalising its NPOA-IUU (National Plan of Action-Illegal, Unreported and Unregulated Fishing). It is expected that the document will be adopted in early 2009.

At the end of 2008, negotiations were still ongoing for a possible conclusion of a new Fisheries Protocol, for which an agreement will have to be reached for a shared interest of both parties in order to allow the Community Fleet to fish within Mauritian waters. Both sides remain committed towards the conclusion of a Fisheries Partnership Agreement.

#### **2.4.4. European Investment Bank (EIB)**

The Bank's intervention under the Cotonou Agreement have been heavily geared to the private sector with funding of some € 31 million provided to two hotels, and a global loan of € 20 million, while the only public sector project signed, for the expansion of the Container Terminal in the port, was for € 14 million. Over the years substantial funding has been provided also to infrastructure, both through public and private promoters. Two projects in the water and waste water sectors, both signed in 2002, have experienced considerable delays in implementation.

The main focus of potential new operations stems from the planned restructuring of the sugar sector, benefiting from the EC accompanying measures for the Sugar Protocol countries. The Bank undertook an appraisal mission in early 2007 in order to explore potential investments arising from this restructuring. With a positive resolution of negotiations between the Government and the Sugar Producers' Association, held throughout 2007, discussions with the industry have been re-launched. The European Investment Bank (EIB) expects to provide a loan of €30 mio to the Compagnie Sucrière du Sud (CSS) in support of the construction of two sugar refineries.

Other potential sectors for EIB funding are continued investments in the power and ports sectors, as well as investments linked to the smaller scale investments, through venture funds and global loans, in the expanding tourism and ICT sectors.

#### **2.4.5 Regional Cooperation**

##### **Economic Partnership Agreement (EPA)**

Mauritius initialed an EPA interim agreement in December 2007. Mauritius has been negotiating within the ESA region and so far 5 ESA countries i.e. Madagascar, Comoros, Seychelles, Zimbabwe and Zambia have initialled an EPA interim agreement. The ESA region was expected to conclude negotiations in 2008, however, at the last ESA Council meeting it was agreed that negotiations would be extended to 2009. Negotiations is expected to continue in 2009 on all outstanding issues with a view to concluding a full and comprehensive EPA, namely, Customs and trade facilitation, Rules of origin, Trade

defense mechanism, Outermost region, TBT and SPS, Services, Trade related issues, Investment, IPR, Agriculture, Development.

Given that the EPA will have important repercussions on ESA countries in terms of opening of economies to foreign investment, competition, movement of persons etc, it calls for important economic adjustment efforts to minimize economic and political costs of reform and trade liberalisation while maximizing its benefits and will have to be supported by a number of accompanying measures. The ESA region has requested for dedicated, additional resources over and above those currently earmarked, to address their development needs as well as to tackle their supply side constraints, including infrastructure. During negotiations, the EC has maintained that the EDF is the main instrument for financing the EPA. However the EPA will entail costs which are well above those earmarked in the 10th EDF. Such accompanying measures must be frontloaded as most of the costs of adjustment would be borne in the first few years whilst the benefits would accrue over the long term. It is imperative that European Commission agrees on a balanced outcome in the EPA negotiations, with a strong development component, and not just a market access component, and that the EPAs strengthen rather than weaken the regional integration initiatives of COMESA.

Mauritius is also actively participating in the Eastern and Southern Africa region and other regional organisations such as COMESA, SADC and IOC. Mauritius is also supporting the establishment of an effective Free Trade Area (FTA) embracing COMESA, SADC and EAC wants to achieve a fully effective FTA within and between sub-regional groups and eventually an FTA covering Africa. All these moves would serve to make the region attractive to foreign direct investment (FDI) and a subsequent integration of the region into the global economy, and hence poverty reduction in Africa and elsewhere.

In the area of **trade**, Mauritius initialed an interim agreement with the EU on 04 December 2007. The agreement allows for duty-free access of goods produced in Mauritius into the EU as of 1 January 2008, with transition periods for sugar (and rice). This agreement hence not only maintains the market access provided for under Cotonou but further expands access to the European market, while simplifying rules of origins. Mauritius' textile industry will further benefit from the newly introduced single transformation rule, while in fisheries the region obtained additional quantities for derogation. Reciprocally, Mauritius (and several other countries in the Eastern and Southern Africa region, including the islands of the Indian Ocean) have committed to a gradual liberalization of their economies. Mauritius will begin this process in 2013 but it will have impact on the local industry only towards 2022 as Mauritius has already liberalized or reduced duties significantly on a wide range of goods. In addition, a number of sensitive produces have been excluded from liberalization. The EPA takes into account the development needs of the countries in the region as outlined in the development matrix included in the agreement.

However, while Mauritius generally complies with EU standards in their export of goods, it might require further support to comply with EU sanitary and phyto-sanitary requirements (SPS), in order to avoid restrictions.

## **2.5. Policy Coherence for Development**

Commitment to policy coherence for development (PCD) has been a central part of European Consensus for Development adopted in 2005 in order to enhance aid effectiveness and to better take into account the impact of EU policies on developing countries. Policy coherence aims at ensuring that all EU non-aid policies are beneficial to developing countries' efforts to attain the MDGs. Most of the 12 areas in which the EU has made commitments on improving PCD are very relevant to the Mauritius context. A critical aspect is to establish a policy dialogue with national authorities, where this is not yet the case, and to examine the link between relevant EC non-aid policies and national policies. Moreover, the following issues have to be considered in each of these areas:

**Environment** being one of the focal sectors of the 9<sup>th</sup> EDF NIP and RIP, the EC is funding several programmes that assist the Government and non-government organizations in the protection of the environment (see also § 2.3.1 and 2.4.5). In addition, continued policy dialogue and EC support to Government's initiative to review of the National Environmental Strategy is helping to mainstream environmental protection in all sectors. In this context, the EC funded specifically a study to assist Mauritius in defining its long-term energy policy as well as a Strategic Environment Assessment of the Government's Multi-annual Adaptation Strategy for Sugar. In the next GBS programme, it is proposed to have an indicator on environment related to the Strategic Environment Assessment for the sugar sector. Several regional programmes focus on the protection of marine and coastal resources.

**Climate change** continues to be a major concern for Mauritius and the Government has been following EU policies and working on a post-Kyoto Treaty. Several actions have been taken by the government to devise a footprint for tackling climate change.

In the 2008 Budget Speech, the Government launched 'Maurice Ile Durable' Project (MID), a concept aimed at encouraging sustainable development nationally through the promotion of the use of renewable energy sources and by encouraging energy efficiency measures. The strategy is currently still being devised but it is anticipated to be published in 2009.

Mauritius is also in the process of devising an environment strategy which will include a Nick Stern-style report for Mauritius, a vulnerability assessment for the sectors, a climate change adaptation strategy, a mitigation strategy, a climate change action plan, capacity building, mainstreaming of climate change in government programme, and institutional arrangements.

Mauritius has also approved the joint EU-UNDP Energy Outline Report 2008 which was carried out at the request of the government. The report was approved by the steering committee in December 2008 and was adapted, subject to some amendments by the cabinet, as the Government's Energy Strategy.

In 2008, Mauritius became eligible for financial assistance under the EU Global Climate Change Alliance (GCCA). Meetings have been held in October and November 2008 with

the Ministry of Finance, Ministry of Renewable Energies and Public Utilities and the Ministry of Environment to find areas where the GCCA funds could be used.

The issues related to **energy** have been taken into account within the EC sector budget support programme for sugar (see§ 2.3.1).

In the area of **migration**, Mauritius is seeking to pilot a circular migration programme with European and other OECD countries, which should help to increase in the medium term the skill and knowledge level in the society. A workshop on circular migration will be jointly organised by the Mauritian Government and the EC in Mauritius in September 2008.

The integration of PCD into the development activities and planning will also take into account the 1<sup>st</sup> Action Plan for 2008-2010 in the context of the **Joint EU-Africa Strategy** which provides a long-term strategic framework for interaction between Europe and Africa at all levels: with pan-African institutions such as the African Union, regional organizations such as IOC, SADC, COMESA and national authorities. The 1<sup>st</sup> Action Plan was launched in December 2007 during the Lisbon Summit and focuses on eight partnership and priority areas to be specifically monitored. Some of these are considered to be more relevant to Mauritius and to EC's country's strategy, namely: Trade, regional integration and infrastructure, Energy, Migration, mobility and employment and Science, information society and space. Other priorities areas for which Mauritius is comparatively well advanced, such as Democratic Governance, MDGs, Climate Change will still be carefully monitored.

## **2.6. Dialogue in country with the national Parliament, local authorities and NSAs**

In 2006, wide consultations took place with non-state actors including members of civil society and local authorities, on the main thrust of the 10<sup>th</sup> EDF CSP as well as on the programming of the sugar accompanying measures and governance related issues. In 2007, the dialogue with NSAs continued in particular with regard to the sugar sector reform with several meetings and targeted consultation held with the various stakeholders, especially with small planters. Consultations were also held with NSAs in the context of the general economic reform programme. The NSAs also participated in discussions on the Decentralised Cooperation programme.

In April, the Delegation participated in a workshop on the “Evaluation for civil society participation in the Cotonou Agreement” based on a report developed by the *Center for Documentation, Research and Training on the South West Indian Ocean* (CEDREFI) in partnership with the Fiedrich-Ebert-Stiftung (FES). The discussion focused on the need and possibilities to set-up a structured mechanism for regular dialogue between NSAs, local authorities and the Government – an initiative supported by the EC Delegation.

In May 2007, the Delegation and the Government jointly organised consultations on the EC-Mauritius cooperation relationship in the context of the ETR conclusions and JAR 2006. The meeting was well attended and the process reconfirmed the usefulness of consultations as participants highlighted the importance of involving NSA at all levels of the programming cycle of EC assistance. Again, several participants recommended

setting up a structured and continuous consultation mechanism in future and improving on communication on the Government's reform programme. This suggestion has been positively received by both the EC Delegation and the NAO office who will review means to strengthen the consultation process. In October 2007, a mission of representatives of the European Economic and Social Committee offered an opportunity to participate to a large meeting dedicated to the hearing of civil society representative. Discussions were held on all EC operations in Mauritius and useful suggestions retained both for programmes' implementation and communication strategies.

Finally, a preliminary meeting was organised by the NAO's office and the Delegation on 10<sup>th</sup> March 2009 to discuss the first draft of the JAR 2008 and Government's commitments as regards to good governance. Participants included representatives of Mauritian NGOs, trade unions, various federations and relevant public institutions, local authorities and Ministries involved in cooperation activities with the EC. The meeting was well attended and the two EU member states present in Mauritius were also present. The Delegation is exploring options to restructure the dialogue with NSAs in order to render it more focussed on specific sectors and themes and to hold it at more regular intervals. The need of a structured mechanism for dialogue between NSAs, Government, private sector and donors has been raised on several occasions but no concrete proposal has been developed yet.

## **2.7 Aid Effectiveness**

### Alignment with country policies.

The EC provides 85% of its 10<sup>th</sup> EDF NIP and 100% of Sugar Accompanying Measures to general budget support in favour of the economic reform programme of the Government. As per the CSP other ad-hoc funds like the FLEX are also disbursed as GBS. The GoM policies monitored in general budget support programmes focus on energy, environment, education, sugar, empowerment, wastewater and public finance.

### Donor Coordination. Division of Labour.

Donor coordination is improving significantly with regular consultations and meetings among donors, especially among the providers of general budget support namely the World Bank, the African Development Bank, and the Agence Francaise de Développement (AFD). The above-mentioned donors, as well as the UNDP, the IMF, and the European Investment Bank are also providing technical assistance to assist with the overall implementation of the economic reform programme. All donors participate in a yearly business planning for technical assistance. The next one will be held on 23 September 2009.

The four donors providing GBS closely consult and coordinate to evaluate the economic reform programme of the GoM through joint review missions. Priority sectors within the reform programme and indicators governing disbursement are also coordinated to the maximum possible extent, in consultation with the GoM.

## **3. Conclusions**



The year 2008 has witnessed significant progress in the implementation of the ten-year reform programme launched by the Government in 2006. The latter includes efforts to improve financial efficiency and accountability in the public sector, for which the EC-financed Public Expenditure and Financial Accountability (PEFA) assessment, which uses a common methodology for the assessment of Public Finance Management (PFM), was critical. 2008 also saw a consolidation of reform measures to improve the business environment, and export competitiveness, while increasing social equity. Significant progress has also been made in the socio-economic sphere as the country moves towards meeting all its commitment with respect to the MDGs.

The Government has led efforts to strengthen harmonization of donor practices. As a result, Mauritius has continued to attract additional resources from development partners, including the WB, AfDB, AFD, UNDP and EC, to support its economic reform programme. Joint reviews of progress and joint missions by these development partners have helped to reduce demands on the NAO and line ministries. These developments should pave the way for increasing the level of budget support during 2009, in line with the 10<sup>th</sup> EDF Country Strategy Paper (2008-2013), which foresees that 85% of the NIP resources will be channeled through general budget support, together with additional resources from the EC budget, in particular from the Sugar Accompanying Measures.

With regards to governance commitments, the Government remains fully committed to implement these as foreseen. At the same time, the African Peer Review Mechanism (APRM) was completed in 2008 and the Self Assessment Report and Programme of Action for Mauritius being finalised. A country Review Mission led by members of the APR panel is expected in July 2009.

Mauritius has continued to play a proactive role in the regional arena and within the CMMS group (Comoros, Madagascar, Mauritius, Seychelles); the latter has contributed to the successful conclusion of an interim Economic Partnership Agreement (EPA) in December 2007. Negotiations are ongoing on the signature of a new Fisheries Protocol, for which an agreement will have to be reached in order to allow the Community Fleet to fish within Mauritian waters.

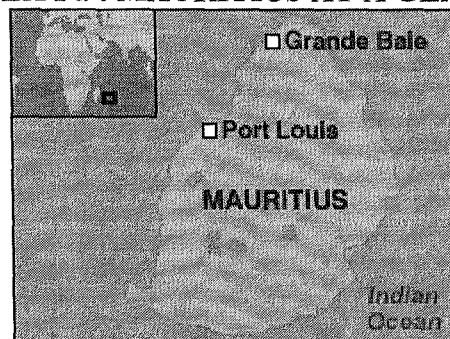
The level of dialogue between NAO and EC continues to be very satisfactory, be it at the political level, with regard to governance commitments or on cooperation issues.

As regards NSAs, the EC Delegation and the NAO have welcomed the suggestion by NSAs to establish a more structured and permanent dialogue. Both the EC and the NAO are committed to support any proposals in this direction.

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## ANNEX I a : MAURITIUS AT A GLANCE



<b>Location</b>	: 20° South of the Equator 57° East of Greenwich
<b>Area</b>	: 2,040 km <sup>2</sup> (including island of Rodrigues - 104 km <sup>2</sup> )
<b>Outlying Islands</b>	: Rodrigues, Agalega, Tromelin and Cargados Carajos
<b>Population (June 2007)</b>	: 1,268,546
<b>Gross Domestic Product (GDP at market prices)</b>	: 2007 Rs 232 bn : 2008 Rs 263 bn 2009 Rs 277 bn (forecast)
<b>GDP Growth Rate</b>	: 2007 +5.4% : 2008 +5.2% 2009 +2.7% (forecast)
<b>Currency:</b>	Mauritian Rupee (as at 30 September 2009 )

US \$ 1 = Rs 31.50

EUR 1 = Rs 46.00

**Financial Year:** Jan 1- Dec 31 as from Jan 1 2010

**External Trade (2008)**

Exports (f.o.b.)

MUR 70,000 million

Imports (c.i.f.)

MUR 130,000 million

Net International Reserves: MUR 84,763 million (34.4 weeks of imports - Nov. 2008)

**Government**

Independent 12<sup>th</sup> March, 1968

Member of Commonwealth

Member of African Union

Member of the Indian Ocean Commission-Indian Ocean Rim

Member of the Southern African Development Community

Member of Eastern Southern African Countries

**ANNEX I b: Millennium Development Goals**

<b>Key indicators</b>	<b>1990</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
1. Proportion of population below 1\$/day in PPP1			<1%		
2. Prevalence of underweight children <sup>2</sup>					
3. Under 5 child mortality	<b>23.1</b>	15.8	16.9	17.1	
4. HIV prevalence rate of women aged 15-24	<b>0.01</b>	0.09	0.10	0.11	
5. Proportion of births attended by skilled health personnel	<b>91.1</b>	99.2	99.5	99.4	
6. Proportion of 1 year old children immunised against measles <sup>3</sup>	<b>76.1</b>	88.6	92.4	90.0	
7. Net enrolment ratio in primary education	<b>99</b>	97	97	96	
8. Ratio of girls to boys in primary and secondary education					
8a. Primary	<b>97.7</b>	97.0	96.8	96.7	96.1
8b. Secondary	<b>99.7</b>	103.2	103.3	103.5	104.2
9. Primary school completion rate <sup>4</sup>	<b>101</b>	98	93	98	
10. Proportion of population with sustainable access to an improved water source	<b>95.7</b>	>99	>99	>99	

11. Fixed lines and mobile telephone per 1,000 inhabitants					
11a. Fixed line telephone subscribers per 1,000 population	<b>71.8</b>	286.4	284.4	285.7	
11b. Cellular subscribers per 1,000 population	<b>2.1</b>	526.2	614.7	734.3	
12. Formal cost required for business start up					
13. Time required for business start up					
14. Real GDP per capita (at market prices) (MRu)	<b>37,251</b>	149,049	164,669	186,813	207,951
15. Access of rural population to an all season road <sup>5</sup>					
16. Household electrification rate <sup>5</sup>					
1 <1% - 1996/97 & 2001/02					
<sup>2</sup> Proportion of children under 5 who are moderately or severely underweight (%) = 14.9 in 1995					
<sup>3</sup> Figures refer to public sector only					
<sup>4</sup> Enrolment in the last grade (std VI excl. repeaters) of primary schools divided by population aged 11 yrs					
<sup>5</sup> >99% - Census 2000 figures					

<b>ANNEX I b: Millennium Development Goals 2015 Target</b>	1990	1995	2000	2005	2015 Target
<b>General Social Indicators</b>					
Population (millions)	1.1	1.1	1.2	1.2	...
Adult Literacy rate (% of people ages 15 and over)	...	...	84	...	...

Life expectancy at birth (years)	69	70	72	73	...
Fertility rate, total (birth per woman)	2.3	2.1	2.0	2.0	...
<b>Goal 1: Eradicate extreme poverty and hunger</b>					
Target: Halve between 1990 and 2015 the population of whose income is less than \$1 day and who suffer from hunger					
Malnutrition prevalence, weight for age (% of children under 5)	...	14.9	...	...	...
Poverty gap \$1 a day (PPP) (%)	...	...	...	...	...
Prevalence of undernourishment (% of population)	6	6	...	5	3
<b>Goal 2: Achieve universal primary education</b>					
Target: Ensure that by 2015, children everywhere will be able to complete a full course of primary schooling					
Literacy rate, youth total (% of people ages 15-24)	91	...	...	95	100
Persistence to grade 5, total (% of cohort)	97	...	99	97	100
Primary completion rate, total (% of relevant age group)	64	98	105	97	100
School enrolment, primary (% net)	91	...	93	95	100
<b>Goal 3: Promote gender equality and empower women</b>					
Target: Eliminate gender disparity in primary and secondary education no later than 2015					
Proportion of seats held by women in national parliament (%)	7	8	8	6	...
Ratio of girls to boys in primary and secondary education (%)	101	...	96	98	100
Ratio of young literate females to males (% ages 15-24)	100	...	..	102	...
Share of women employed in non-agricultural sector (% of total nonagric. Employment)	36.7	36.4	38.6	37.5	...
<b>Goal 4: Reduce Child mortality</b>					
Target: Reduce by two thirds, between 1990 and 2015, the under-five mortality rate					
Immunization, measles (% of children ages 12-23 months)	76	89	84	98	...
Mortality rate, infant (per 1000 live births)	20	20	16	13	...
Mortality rate, under-5 (per 1,000)	23.0	21.0	18.0	15.0	8.3

<b><u>Goal 5: Improve maternal health</u></b>					
Target: Reduce by two fourths, between 1990 and 2015, the maternal mortality rate					
Birth attended by skilled health staff (% of total)	91	98	100	999	100
Maternal mortality ratio (modelled estimate, per 100,000 live birth)	...	...	24	...	...
<b><u>Goal 6: Combat HIV/AIDS, malaria, and other diseases</u></b>					
Target: Have halted by 2015, and begun to reverse, the spread of HIV/AIDS. Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases					
Contraceptive prevalence (%of women ages 15-49)	75	...	76	...	...
Incidence of tuberculosis (per 100.000 people)	69	67	64	62	...
Prevalence of HIV, total (% of population ages 15-49)	...	...	...	0.6	...
Tuberculosis cases detected under DOTS (%)	...	34	33	32	...
<b><u>Goal 7: Ensure environmental sustainability</u></b>					
Target: integrate the principle of sustainable development into country policies and programs and reverse the loss of environmental resources. =halve by 2015 the proportion of people without sustainable access to safe drinking water					
CO2 emissions (metric tons per capita)	1.4	1.6	2.3	2.6	...
Forest area (% of land area)	19	...	19	18	...
Improved sanitation facilities (% of population with access)	...	...	...	94	...



Improved water source (% of population with access)	100	...	...	100	...
Nationality protected areas (% of total land area)	...	...	...	3.3	...
<b><u>Goal 8: Develop a global partnership for development</u></b>					
Target: Develop further an open rule based, predictable, non-discriminatory trading and financial system. Address the special needs of the least developed countries, landlocked, and small-island developing states. Deal comprehensively with the debt problems of developing countries through national and international measures, in order to make debt sustainable in the long-term. In cooperation with developing countries, develop and implement strategies for decent and productive work for youth. In cooperation with the private sector, make available the benefits of new technologies, especially information and communication					
Aid per capita (current US\$)	84	21	17	26	...
Debt service (PPG and IMF, % of exports only G&S, exclude workers remittances)	7.3	6.0	16.4	5.4	...
Fixed line and mobile phone subscribers (per 1000 people)	55	142	388	862	...
Internet users (per 1000 people)	0	2	73	146	...
Personal Computers (per 1000 people)	4	32	101	162	...
Total debt service (% of exports of goods, services and income)	8.8	9.4	18.2	7.2	...
Unemployment youth female (% of female labour force aged 15-24)	...	28.1	...	34.3	...
Unemployment youth male (% of male labour force aged 15-24)	...	21.4	...	20.5	...
Unemployment youth total (% of total labour force aged 15-24)	...	23.8	...	25.9	...

### ANNEX I c: Basic Economic Data

Basic data		2004	2005	2006	2007	2008
1	Population (in 1000)	1,233	1,243	1,253	1,260	1,269
	- annual change in %	0.82	0.81	0.80	0.56	0.71
2a	Nominal GDP at market prices (Mn MRu)	175,597	185,348	206,328	235,461	263,889
2b	Nominal GDP at market prices (Mn €)	5,149	5,107	5,222	5,486	6,342
2c	Nominal GDP per capita (MRu)	142,336	149,049	164,669	186,813	207,951
	- annual change in %	10.6	4.7	10.5	13.4	11.3
2d	Nominal GDP per capita (€)	4,174	4,107	4,168	4,353	4,998
3	Real GDP at basic prices (growth rate %)	+4.8	+2.3	+5.1	+5.4	+5.2
4	Gross fixed capital formation (in % of GDP)	22	21	24	25	25
International transactions						
5a	Exports of goods and services (Mn MRu)	94,859	110,940	127,128	138,530	144,329
5b	Exports of goods and services (in % of GDP)	54	60	62	59	55
	- of which:					
	Sugar (Mn MRu)	9,631	10,536	11,198	9,578	8,990
	Sugar (in % of GDP)	5.5	5.7	5.4	4.1	3.4
	Fish and fish preparations (Mn MRu)	3,355	4,785	7,077	8,172	9,462
	Fish and fish preparations (in % of GDP)	1.9	2.6	3.4	3.5	3.6
	Articles of apparel and clothing accessories (Mn MRu)	25,733	21,843	24,445	27,584	24,117
	Articles of apparel and clothing accessories (in % of GDP)	14.7	11.8	11.8	11.7	9.1

6a	Balance of visible trade (Mn MRu)	-21,482	-30,063	-41,465	-51,329	-60,000
6b	Balance of visible trade (in % of GDP)	-12.2	-16.2	-20.1	-21.8	-22.7
7a	Current account balance* (Mn MRu)	-3,181	-9,570	-19,399	-13,432	-22,4071 <sup>1</sup>
7b	Current account balance (in % of GDP)	-1.8	-5.2	-9.4	-5.7	-8.91 <sup>1</sup>
8a	Foreign direct investment* (Mn MRu)	1,797	2,807	7,222	11,514	7,2472 <sup>2</sup>
8b	Foreign direct investment (in % of GDP)	1.02	1.51	3.50	4.89	n.a
8c	Direct investment abroad* (Mn MRu)	970	1,942	1,134	1,826	1,1982 <sup>2</sup>
8d	Direct investment abroad (in % of GDP)	0.6	1.0	0.5	0.8	n.a
8e	Net inflows of foreign direct investment* (Mn MRu)	827	865	6,088	9,688	6,0492 <sup>2</sup>
8f	Net inflows of foreign direct investment (in % of GDP)	0.5	0.5	3.0	4.1	n.a

9	External debt: Central Government* (Mn MRu; End June)	8,445	9,232	8,535	13,452	12,482
9a	Nominal GDP at market prices (Mn MRu; Year ending June 30)	165,877	179,867	194,807	219,164	251,636
10	Service of external debt1 (in % of exports of goods and non-factor services)	6.5	6.5	8.4	7.1	n.a
11	Foreign exchange reserves* (in weeks of imports of goods and non-factor services)	43.7	35.3	37.6	37.7	34.12 <sup>2</sup>

Budgetary Central Government: (Year ending  
June 30)

12	Revenues (in % of GDP)	20.3	20.0	20.1	19.2	21.2
	- of which: grants (in % of GDP)	0.4	0.2	0.3	0.1	0.2
13	Expenditure and lending minus repayments (in % of GDP)	25.6	25.0	25.4	23.5	24.5
	- of which: Capital expenditure (in % of GDP)	4.3	3.5	3.6	3.2	4.6
14a	Deficit (in % of GDP) including grants	-5.3	-5.0	-5.3	-4.3	-3.3
14b	Deficit (in % of GDP) excluding grants	-5.7	-5.3	-5.6	-4.5	-3.5
15	Debt (in % of GDP)	55.4	57.4	56.0	53.0	48.6
	- of which: External (in % of total public debt)	7.3	7.3	6.3	9.7	7.9
Other						
16	Consumer price inflation (annual average change in %)	4.7	4.9	8.9	8.8	9.7
17	Interest rate: Bank rate* (As at December)	5.76	7.66	12.45	10.05	8.83
	Prime lending rate* (As at December)	7.75- 8.50	9.20- 10.25	10.70- 11.75	11.40- 12.25	10.05- 11.002 <sup>2</sup>
18	Exchange rate (annual average of buying and selling of 1€)	34.10	36.29	39.51	42.92	41.61
19	Unemployment (in % of labour force, ILO definition)	8.4	9.6	9.1	8.5	7.8
20a	Employment in agriculture, forestry and fishing (000)	49.0	48.6	47.9	47.3	46.0
20b	Total employment (000)	504.5	507.2	515.3	523.7	534.5
20c	Employment in agriculture, forestry and fishing (in % of total	9.7	9.6	9.3	9.0	8.6

employment)					
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Source CSO

\* Source: Monthly Bulletin of Statistics, Bank of Mauritius

<sup>1</sup> Annual Report, Bank of Mauritius

<sup>2</sup> As at November 2008

#### ANNEX I d: Basic Economic Data: External Sector

Table 1: Main export commodities in 2007 and 2008 (in mio Rs and % of total exports)

	2007 <sup>1</sup>		2008 <sup>2</sup>	
	In mio Rs	In %	In mio Rs	In %
Cane sugar	9,578	14.9	8,266	13.9
Fish and fish preparations	8,172	12.7	8,015	13.5
Machinery and Transport Equipment	4,078	6.3	3,739	6.3
Apparel & Clothing	27,584	42.9	24,078	40.5
<b>Total</b>	<b>64,265</b>	<b>100</b>	<b>59,455</b>	<b>100</b>

<sup>1</sup> revised

<sup>2</sup> provisional, excluding re-export

Source: Central Statistics Office

Table 2: Exports by country of destination in 2007 and 2008 (in mio Rs and % of total exports)

	2007 <sup>1</sup>		2008 <sup>2</sup>	
	In mio Rs	In %	In mio Rs	In %
<u>Europe</u>	<u>44,238</u>	<u>68.8</u>	<u>40,392</u>	<u>68</u>
UK	21,924	34.1	20,206	34
France	8,889	13.8	7,959	13.4
Italy	3,568	5.5	2,715	4.6

<i>Belgium</i>	2,077	3.2	1,955	3.3
<i>Germany</i>	1,697	2.6	1,701	2.9
<b>Asia</b>	<b>4,933</b>	<b>7.7</b>	<b>4,426</b>	<b>7.4</b>
<i>United Arab Emirates</i>	2,453	3.8	1,820	3.1
<b>Africa</b>	<b>9,629</b>	<b>15</b>	<b>9,933</b>	<b>16.7</b>
<i>Madagascar</i>	3,865	6	3,515	5.9
<i>South Africa</i>	1,981	3.1	2,152	3.6
<i>Reunion</i>	1,839	2.9	2,037	3.4
<b>America</b>	<b>5,162</b>	<b>8</b>	<b>4,440</b>	<b>7.5</b>
<i>USA</i>	4,760	7.4	3,985	6.7
<b>Oceania</b>	<b>303</b>	<b>0.5</b>	<b>264</b>	<b>0.4</b>
<i>Australia</i>	136	0.2	201	0.3
<b>total</b>	<b>64,265</b>	<b>100</b>	<b>59,455</b>	<b>100</b>

<sup>1</sup> revised

<sup>2</sup> provisional, excluding re-export

Source: Central Statistics Office

Table 3: Main import commodities in 2007 and 2008 (in mio Rs and % of total imports)

	2007 <sup>1</sup>		2008 <sup>2</sup>	
	<i>In mio Rs</i>	<i>In %</i>	<i>In mio Rs</i>	<i>In %</i>
Food and live animals	20,032	16.6	23,872	18
Mineral fuels and lubricants	22,180	18.3	28,352	21.4
Manufactured goods	24,733	20.4	25,035	18.9
Machinery and transport equipment	28,529	23.6	26,272	19.8
<b>Total</b>	<b>121,037</b>	<b>100</b>	<b>132,564</b>	<b>100</b>

<sup>1</sup> revised

<sup>2</sup> provisional

Source: Central Statistics Office

Table 4: Imports by country of destination in 2007 and 2008  
(in mio Rs and % of total imports)

	2007 <sup>1</sup>		2008 <sup>2</sup>	
	In mio Rs	In %	In mio Rs	In %
<b>Europe</b>	<b>35,776</b>	<b>29.6</b>	<b>32,240</b>	<b>24.3</b>
UK	3,622	3	2,997	2.3
France	12,813	10.6	10,203	7.7
Italy	3,321	2.7	3,274	2.5
Spain	3,136	2.6	3,773	2.8
Germany	3,268	2.7	2,966	2.2
<b>Asia</b>	<b>62,069</b>	<b>51.3</b>	<b>71,679</b>	<b>54.1</b>
China	13,768	11.4	15,291	11.5
India	25,633	21.2	31,698	23.4
Japan	4,334	3.6	5,382	4.1
Malaysia	3,116	2.6	3,422	2.6
Thailand	2,147	1.8	3,123	2.4
<b>Africa</b>	<b>13,983</b>	<b>11.6</b>	<b>16,968</b>	<b>12.8</b>
Seychelles	1,156	0.9	577	0.4
South Africa	8,910	7.4	10,707	8.1
Kenya	402	0.3	1,038	0.8
<b>America</b>	<b>5,095</b>	<b>4.2</b>	<b>6,917</b>	<b>5.2</b>
USA	2,777	2.3	3,168	2.4
Argentina	1,398	1.1	2,121	1.6
<b>Oceania</b>	<b>4,114</b>	<b>3.4</b>	<b>4,760</b>	<b>3.6</b>
Australia	2,752	2.3	3,201	2.4
New Zealand	1,321	1.1	1,515	1.1
<b>total</b>	<b>121,037</b>	<b>100</b>	<b>132,564</b>	<b>100</b>

<sup>1</sup> revised

<sup>2</sup> provisional

Source: Central Statistics Office

Table 5: Trends in FDI 2006-2008 (in mio Rs and in % of total)

	2006		2007		2008 <sup>1</sup>	
	In mio Rs	In %	In mio Rs	In %	In mio Rs	In %

<u>Europe</u>	<u>5,338</u>	<u>73.9</u>	<u>5,936</u>	<u>51.6</u>	<u>4,676</u>	<u>40.9</u>
UK	3,821	52.9	2,802	24.3	2,044	17.9
France	523	7.2	1,176	10.2	1,167	10.2
<u>Asia</u>	<u>1,322</u>	<u>18.3</u>	<u>1,971</u>	<u>17.1</u>	<u>3,180</u>	<u>27.8</u>
India	160	2.2	610	5.3	1,921	16.8
United Arab Emirates	114	1.6	1,285	11.2	847	7.4
<u>Africa</u>	<u>296</u>	<u>4.1</u>	<u>1,124</u>	<u>9.8</u>	<u>1,929</u>	<u>16.9</u>
South Africa	38	0.5	498	4.3	1,415	12.4
<u>America</u>	<u>212</u>	<u>2.9</u>	<u>2,405</u>	<u>20.9</u>	<u>1,615</u>	<u>14.1</u>
USA	163	2.3	2,380	20.7	1,063	9.3
<b>Total</b>	<b>7,222</b>	<b>100</b>	<b>11,514</b>	<b>100</b>	<b>11,419</b>	<b>100</b>

<sup>1</sup> - provisional

Source: Bank of Mauritius



Annex IIa: Financial Situation – 6<sup>th</sup> EDF

<b>COUNTRY: MAURITIUS EDF 6</b>						
<b>SITUATION : #REF!</b>						
<b>Accounting N°</b>	<b>Project title</b>	<b>GFC [ 1 ]</b>	<b>IFC [ 2 ]</b>	<b>% [2] / [1]</b>	<b>Paid [ 3 ]</b>	<b>[ 3 ]</b>
<b>100% clôturés (100% closed)</b>		<b>30,202,707</b>	<b>30,202,707</b>	<b>100%</b>	<b>30,202,707</b>	
6.ACP.MAS.04	T.A. to the Agricultural Marketing Board	123,949.19	123,949.19	<b>100%</b>	123,949.19	
6.ACP.MAS.07	Agricultural Development Program in Rodrigues	3,228,055.58	3,228,055.58	<b>100%</b>	3,228,055.58	
6.ACP.MAS.08	Industrial Diversification Program (Grant)	4,893,890.73	4,893,890.73	<b>100%</b>	4,893,890.73	
6.ACP.MAS.09	Industrial Diversification Program (Special Loan)	4,692,580.50	4,692,580.50	<b>100%</b>	4,692,580.50	
6.ACP.MAS.10	T.A. for Preparation of Agric. Diversification Prog.	16,411.53	16,411.53	<b>100%</b>	16,411.53	
6.ACP.MAS.14	ACP-EEC Cultural Show	9,428.59	9,428.59	<b>100%</b>	9,428.59	
6.ACP.MAS.15	1st Microprojects Program	670,529.52	670,529.52	<b>100%</b>	670,529.52	
6.ACP.MAS.16	National Handicraft Development Program	1,693,145.22	1,693,145.22	<b>100%</b>	1,693,145.22	
6.ACP.MAS.17	Agricultural Diversification Program (Special Loan)	4,000,000.00	4,000,000.00	<b>100%</b>	4,000,000.00	

6.ACP.MAS.18	Agricultural Diversification Program (Grant)	4,007,573.66	4,007,573.66	100%	4,007,573.66
6.ACP.MAS.20	T.A. to Energy Planification	22,000.00	22,000.00	100%	22,000.00
6.ACP.MAS.21	T.A. to Project Prep. : National Derocking Scheme	50,093.41	50,093.41	100%	50,093.41
6.ACP.MAS.22	T.A. to Tender Prep. : National Derocking Scheme	22,292.00	22,292.00	100%	22,292.00
6.ACP.MAS.23	Study : A National Fruit Fly Control Project	38,756.60	38,756.60	100%	38,756.60
6.ACP.MAS.24	National Derocking Scheme (Grant)	1,978,157.56	1,978,157.56	100%	1,978,157.56
6.ACP.MAS.25	National Derocking Scheme (Special Loan)	979,063.21	979,063.21	100%	979,063.21
6.ACP.MAS.26	Study : Upgrading of Existing Technical Training Institutions	21,643.98	21,643.98	100%	21,643.98
6.ACP.MAS.27	Study (II) : National Fruit Fly Control Project	25,736.41	25,736.41	100%	25,736.41
6.ACP.MAS.28	Evaluation : Agric. Dev. Project in Rodrigues	46,917.48	46,917.48	100%	46,917.48
6.ACP.MAS.29	Supervision of road works : Pamplémousses/Grand Baie	159,443.13	159,443.13	100%	159,443.13
6.ACP.MAS.30	Study : Preparation of West Coast Irrig. Project	54,965.76	54,965.76	100%	54,965.76
6.ACP.MAS.31	Study : Range and Forest Management in Rodrigues	9,766.72	9,766.72	100%	9,766.72
6.ACP.MAS.32	Study : St. Martin Sewage Plant	62,666.87	62,666.87	100%	62,666.87
6.ACP.MAS.33	Study : Civil Service College	39,977.29	39,977.29	100%	39,977.29
6.ACP.MAS.34	Study : T.A. Project to the EPZDA	54,471.83	54,471.83	100%	54,471.83
6.ACP.MAS.35	Study : Solid Waste Management Project	59,200.00	59,200.00	100%	59,200.00
6.ACP.MAS.36	Study (II) West Coast Irrigation Project	8,526.56	8,526.56	100%	8,526.56

6.ACP.MAS.37	Study : Preparation of IVTB Support Project	14,130.16	14,130.16	100%	14,130.16
6.ACP.MAS.38	Evaluation : National Derocking Scheme Project	45,543.75	45,543.75	100%	45,543.75
6.ACP.MAS.39	IVTB Project : Technical and Institutional Support	1,980,267.08	1,980,267.08	100%	1,980,267.08
6.ACP.MAS.41	Study : Prep. of Solid Waste Project Technical Dossier	142,855.91	142,855.91	100%	142,855.91
6.ACP.MAS.42	Participation of MEDIA in 1995 Internaitonal Fairs	86,039.14	86,039.14	100%	86,039.14
6.ACP.MAS.45	Study : St. Martin Sewage Plant	468,991.24	468,991.24	100%	468,991.24
6.ACP.MAS.46	Review of Solid Waste Management Plan	57,333.70	57,333.70	100%	57,333.70
6.ACP.MAS.48	Phoenix - N France road - Study	89,437.81	89,437.81	100%	89,437.81
6.ACP.MAS.49	Improving the quality of horticulture - under 9 ACP MAS 7	348,864.41	348,864.41	100%	348,864.41



<b>COUNTRY: MAURITIUS EDF 6</b>					
<b>SITUATION : #REF!</b>			<b>% of NIP</b>	<b>% of GFC</b>	<b>AMOUNT in EUROS</b>
	<b>NET 6th EDF ENVELOPE</b>	<b>[ A ]</b>			<b>30,202,707</b>
<b>[ A ]</b>	<b>Indicative Programme</b>				<b>31,000,000</b>
	<b>Transfers EDF 4</b>				<b>228,637</b>
	<b>Transfers of 6 MAS 49 into a new accounting number 9 ACP MAS 7</b>				<b>(251,136)</b>
	<b>Transfers to 9th EDF upon closure of 6th EDF projects</b>				<b>(774,794)</b>
<b>[ B ]</b>	<b>GFC : Global Financial Commitments</b>	<b>[ B ]</b>	<b>100.00%</b>		<b>30,202,707</b>
<b>[ C ]</b>	<b>IFC : Individual Financial Commitments</b>	<b>[ C ]</b>	<b>100.00%</b>	<b>100.00%</b>	<b>30,202,707</b>
<b>[ D ]</b>	<b>PAYMENTS</b>	<b>[ D ]</b>	<b>100.00%</b>	<b>100.00%</b>	<b>30,202,707</b>
<b>[ E ]</b>	<b>Uncommitted balance</b>	<b>[ A ] - [ B ]</b>	<b>0.00%</b>		<b>0</b>

**Annex IIb: Financial Situation – 7<sup>th</sup> EDF**

<b>COUNTRY: MAURITIUS EDF 7</b>						
<b>SITUATION : #REF!</b>						
<b>Accounting N°</b>	<b>Project title</b>	<b>GFC [ 1 ]</b>	<b>IFC [ 2 ]</b>	<b>% [2] / [1]</b>	<b>Paid [ 3 ]</b>	
<b>100% clôturés (100% closed)</b>		<b>32,227,692.51</b>	<b>32,227,692.51</b>	<b>100.00%</b>	<b>32,227,692.51</b>	<b>1</b>
7.acp.mas.3	Route Pamplémousses - G Baie (travx.) : voir 7.mas.011	4,949,605.36	4,949,605.36	100%	4,949,605.36	
7.acp.mas.4	Gestion des ressources naturelles et agricoles de Rodrigues	1,938,021.76	1,938,021.76	100%	1,938,021.76	
7.acp.mas.5	Programme de controle des mouches de fruits	1,597,641.93	1,597,641.93	100%	1,597,641.93	
7.acp.mas.7	Etude Human Resource Centre - Rodrigues	19,083.14	19,083.14	100%	19,083.14	
7.acp.mas.8*	TRSF 5° FED : Prog. pluri-annuel de formation 84-86	(26,660.35)	(26,660.35)	100%	(26,660.35)	

7.acp.mas.9*	TRSF 5° FED : Rel.1-2-3 FED :AT Centre National Artisanat	10,739.27	10,739.27	100%	10,739.27
7.acp.mas.10*	TRSF 5° FED : Rte Pamplermousses - G Baie (Supervision)	182,737.96	182,737.96	100%	182,737.96
7.acp.mas.11*	TRSF 5° FED : Rte Pamplermousses - G Baie (Travaux)	166,848.87	166,848.87	100%	166,848.87
7.acp.mas.12	West coast irrigation project (Magenta)	4,059,482.54	4,059,482.54	100%	4,059,482.54
7.acp.mas.13	Etude NPIP (M1 Pipeline)	377,433.95	377,433.95	100%	377,433.95
7.acp.mas.16	Appui au MIPAM	633,829.40	633,829.40	100%	633,829.40
7.acp.mas.19	Projet de lutte contre le SIDA	331,256.66	331,256.66	100%	331,256.66
7.acp.mas.21	St Martin sewerage project feasibility study	57,902.27	57,902.27	100%	57,902.27
7.acp.mas.22	Study : Northern Plains Diversification	26,322.52	26,322.52	100%	26,322.52
7.acp.mas.23	Human Resource Centre in Rodrigues	610,719.61	610,719.61	100%	610,719.61
7.acp.mas.25	Study : Abattoir	59,321.48	59,321.48	100%	59,321.48



7.acp.mas.30	Seminar on EDF procedures	25,462.24	25,462.24	100%	25,462.24
7.acp.mas.31	Consultancy : St Martin Sewage Treatment Plant	60,846.43	60,846.43	100%	60,846.43
7.acp.mas.32	Northern Plains Irrigation Project (Works)	8,718,472.53	8,718,472.53	100%	8,718,472.53
7.acp.mas.33	Final report on 6th EDF micro-projects program	16,506.86	16,506.86	100%	16,506.86
7.acp.mas.34	Study on promotion of private sector	57,188.29	57,188.29	100%	57,188.29
7.acp.mas.35	Rodrigues anti-erosion study	31,727.24	31,727.24	100%	31,727.24
7.acp.mas.36	T.A. to Waste Water Authority	573,827.56	573,827.56	100%	573,827.56
7.acp.mas.37	Microprojects program	923,301.82	923,301.82	100%	923,301.82
7.acp.mas.39	Training of Police Cadres (study)	24,523.86	24,523.86	100%	24,523.86
7.acp.mas.40	Mahebourg market study	29,674.18	29,674.18	100%	29,674.18
7.acp.mas.41*	Industrial & Vocational Training Board (see 6,MAS,039)	163,975.85	163,975.85	100%	163,975.85

7.acp.mas.42	Training of Police Cadres	508,582.42	508,582.42	100%	508,582.42
7.acp.mas.43	Rehab. of sewage infrastructure in housing states (study)	138,539.07	138,539.07	100%	138,539.07
7.acp.mas.44	Trend Forum 1998	113,414.89	113,414.89	100%	113,414.89
7.acp.mas.45	Prefeasibility study : Desiltation of lagoon Rodrigues	32,900.00	32,900.00	100%	32,900.00
7.acp.mas.46	Phoenix - Nvelle France Rd (2nd C/Way)	3,693,178.99	3,693,178.99	100%	3,693,178.99
7.acp.mas.47	Preparation of microproject "Poverty Relief"	48,730.50	48,730.50	100%	48,730.50
7.acp.mas.48	Feasibility study Venture Capital and Mutual Guarantee	13,861.33	13,861.33	100%	13,861.33
7.acp.mas.50	Mahébourg market : Consultancy services	104,068.21	104,068.21	100%	104,068.21
7.acp.mas.51	Mahébourg market : Works - Reconstruction	1,530,209.32	1,530,209.32	100%	1,530,209.32
7.acp.mas.52	Set up Quality Strategy by Mauritian Horticultural sector	24,555.67	24,555.67	100%	24,555.67
7.acp.mas.53	Appui participation de Craft Aid au festival Skane	21,778.22	21,778.22	100%	21,778.22



7.acp.mas.54	Enhancing democracy and the state of law	378,080.66	378,080.66	100%	378,080.66
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<b>COUNTRY: MAURITIUS EDF 7</b>			% of NIP	% of GFC	AMOUNT in EUROS
<b>SITUATION : #REF!</b>					
	<b>NET 7th EDF ENVELOPE</b>	<b>[ A ]</b>			<b>32,227,693</b>
<b>[ A ]</b>	<b>Indicative Programme</b>				<b>34,000,000</b>
	<b>Transfer 5th NIP to 7th EDF NIP</b>				<b>894,635</b>
	<b>Transfers to 9th EDF upon closure of 7th EDF projects (inc partial decommitments)</b>				<b>(2,666,943)</b>
	<b>[ B ] GFC : Global Financial Commitments</b>	<b>[ B ]</b>	<b>100.00%</b>		<b>32,227,693</b>
<b>[ C ] IFC : Individual Financial Commitments</b>	<b>[ C ]</b>	<b>100.00%</b>	<b>100.00%</b>	<b>32,227,693</b>	
<b>[ D ] PAYMENTS</b>	<b>[ D ]</b>	<b>100.00%</b>	<b>100.00%</b>	<b>32,227,693</b>	
<b>[ E ] Uncommitted balance</b>	<b>[ A ] - [ B ]</b>	<b>0.00%</b>		<b>0</b>	

**Annex IIc: Financial Situation – 8<sup>th</sup> EDF**

<b>COUNTRY: MAURITIUS EDF 8</b>						
<b>SITUATION : #REF!</b>						
<b>Accounting N°</b>	<b>Project title</b>	<b>GFC [ 1 ]</b>	<b>IFC [ 2 ]</b>	<b>% [2] / [1]</b>	<b>Paid [ 3 ]</b>	<b>% [3] / [</b>
<b>100% clôturés (100% closed)</b>		<b>30,069,623.09</b>	<b>30,069,623.09</b>	<b>100.00%</b>	<b>30,069,623.09</b>	<b>100.00%</b>
8-ACP MAS-3	Programme de lutte anti-érosion à Rodrigues	3,051,911.83	3,051,911.83	100%	3,051,911.83	100%
8-ACP MAS-4	Enhancing the competitiveness of the Mauritius Freeport Sector	-	-	-	-	-
8-ACP MAS-5	St Martin Sewage Treatment Plant	16,084,603.27	16,084,603.27	100%	16,084,603.27	100%
8-ACP MAS-6	Clothing Technology Centre	739,107.36	739,107.36	100%	739,107.36	100%
8-ACP MAS-7	Tourism development plan for Mauritius and Rodrigues	609,555.48	609,555.48	100%	609,555.48	100%

8-ACP MAS-8	Preparation of manual of procedures for poverty project	8,346.73	8,346.73	100%	8,346.73	100%
8-ACP MAS-9	8th EDF microprojects programme (Poverty project)	3,465,856.20	3,465,856.20	100%	3,465,856.20	100%
8-ACP MAS-10	Support to Small and Medium Enterprises	850,521.96	850,521.96	100%	850,521.96	100%
8-ACP MAS-11	Rehabilitation of sewerages in housing estates	3,961,627.10	3,961,627.10	100%	3,961,627.10	100%
8-ACP MAS-12	Port Training	188,836.66	188,836.66	100%	188,836.66	100%
8-ACP MAS-14	TA Sewerage projects	98,341.81	98,341.81	100%	98,341.81	100%
8-ACP MAS-15	West Coast Sewerage Feasibility Study	137,724.36	137,724.36	100%	137,724.36	100%
8-ACP MAS-17	TA to Waste Water Management Authority	720,115.58	720,115.58	100%	720,115.58	100%
8-ACP MAS-19	9th EDF sectoral study	59,672.00	59,672.00	100%	59,672.00	100%
8-ACP MAS-20	Publ of brochure : Le FED à Rodrigues 1982 - 2002	17,288.51	17,288.51	100%	17,288.51	100%
8-ACP MAS-21	9th EDF macroeconomic study	29,903.15	29,903.15	100%	29,903.15	100%



8-ACP MAS-23	9th EDF Decentralised cooperation programme : Feasibility study	46,211.09	46,211.09	100%	46,211.09	100%
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<b>COUNTRY: MAURITIUS EDF 8</b>			% of NIP	% of GFC	AMOUNT in EUROS
<b>SITUATION : #REF!</b>					
	<b>NET 8th EDF ENVELOPE</b>	<b>[ A ]</b>			<b>30,069,623</b>
<b>[ A ]</b>	Indicative Programme				<b>39,500,000</b>
	Top up				<b>2,500,000</b>
	Transfers to 9th EDF upon closure of 8th EDF projects (inc partial decommitments)				<b>(11,930,377)</b>
<b>[ B ]</b>	<b>GFC : Global Financial Commitments</b>	<b>[ B ]</b>	<b>100.00%</b>		<b>30,069,623</b>
<b>[ C ]</b>	<b>IFC : Individual Financial Commitments</b>	<b>[ C ]</b>	<b>100.00%</b>	<b>100.00%</b>	<b>30,069,623</b>
<b>[ D ]</b>	<b>PAYMENTS</b>	<b>[ D ]</b>	<b>100.00%</b>	<b>100.00%</b>	<b>30,069,623</b>
<b>[ E ]</b>	<b>Uncommitted balance</b>	<b>[ A ] - [ B ]</b>	<b>0.00%</b>		<b>-</b>

**Annex IId: Financial Situation – 9<sup>th</sup> EDF**

<b>COUNTRY: MAURITIUS EDF 9</b>						
<b>SITUATION : #REF!</b>						
<b>Accounting N°</b>	<b>Project title</b>	<b>GFC [ 1 ]</b>	<b>IFC [ 2 ]</b>	<b>% [2] / [1]</b>	<b>Paid [ 3 ]</b>	<b>% [3] / [1]</b>
		<b>67,984,833.09</b>	<b>66,966,269.83</b>	<b>98.50%</b>	<b>60,398,299.13</b>	<b>88.84%</b>
9-ACP MAS-1	POST-KALUNDE REHABILITATION PROGRAMME FOR RODRIGUES (ENV B)	282,415	282,415	<b>100%</b>	282,415	<b>100%</b>
9-ACP MAS-3	MAURITIUS WASTEWATER SECTOR POLICY SUPPORT PROGRAMME (ENV A)	39,800,000	39,571,347	<b>99%</b>	38,617,398	<b>97%</b>
9-ACP MAS-4	EVALUATION OF THE MAHEBOURG MARKET PROJECT (ENV A)	12,887	12,887	<b>100%</b>	12,887	<b>100%</b>
9-ACP MAS-5	TECHNICAL COOPERATION FACILITY (TCF) (ENV A)	500,000	432,638	<b>87%</b>	411,202	<b>82%</b>
9-ACP MAS-6	CAPACITY BUILDING PROGRAMME - NSA'S FIGHT AGAINST POVERTY (ENV A)	13,500,000	13,368,051	<b>99%</b>	7,807,050	<b>58%</b>

9-ACP MAS-7	Improving the quality of horticulture - ex 6 ACP MAS 49	85,605	85,605	100%	85,605	100%
9-ACP MAS-8	Mauritius Sugar Sector Support Programme (ENV A)	4,117,000	4,117,000	100%	4,117,000	100%
9-ACP MAS-9	Mauritius Sugar Sector Support Programme (ENV B)	440,000	383,000	87%	383,000	87%
9-ACP MAS-10	Technical Cooperation Facility (2nd phase) (ENV A)	590,000	56,400	10%	24,817	4%
9-ACP MAS-11	Improved Competitiveness for equitable development GBS (ENV A)	8,742,531	8,742,531	100%	8,742,531	100%

<b>COUNTRY: MAURITIUS EDF 9</b>					
<b>SITUATION : #REF!</b>			<b>% of NIP</b>	<b>% of GFC</b>	<b>AMOUNT in EUROS</b>
	<b>TOTAL N I P ENVELOPE including transfers and and Top Ups)</b>	<b>[ A ]</b>			<b>67,984,833</b>
<b>[ A ]</b>	<b>Indicative Programme A envelope &amp; B envelope</b>				<b>34,100,000</b>
	<b>Top up (mid term &amp; final)</b>				<b>18,742,531</b>
	<b>Transfers from previous EDFs</b>				<b>15,535,645</b>
	<b>Transfer to long term development reserve</b>				<b>(393,343)</b>

[ B ]	<b>GFC : Global Financial Commitments</b>	[ B ]	<b>100.00%</b>		<b>67,984,833</b>
[ C ]	<b>IFC : Individual Financial Commitments</b>	[ C ]	<b>98.50%</b>	<b>98.50%</b>	<b>66,966,270</b>
[ D ]	<b>PAYMENTS</b>	[ D ]	<b>88.84%</b>	<b>88.84%</b>	<b>60,398,299</b>
[ E ]	<b>Uncommitted balance</b>	[ A ] - [ B ]	<b>0.00%</b>		<b>-</b>

**ANNEX III a: Sector concentration of engagement under 9<sup>th</sup> EDF**

<i>(Million €)</i>	<b>Initial allocation 2002</b>	<b>Revised after ETR in 2006 + previous EDF reliquats</b>	<b>Allocation from AMSP 2006/2007</b>	<b>Allocation from AMSP 2007/2008</b>	<b>Allocation from Flex 2007-2008 &amp; Env. B</b>	<b>Total allocation</b>
<b>Environment Wastewater</b>	28	11.8				<i>39.8</i>
<b>Sugar Sector Policy Support Programme</b>		4.5	6.5			<i>11.0</i>
<b>Macroeconomic Support</b>		8.742	36	32.323	31.28	<i>108.345</i>
<b>Decentralised Cooperation Programme</b>	5	13.5				<i>13.5</i>
<b>Technical Cooperation Programme</b>		1.09				<i>1.09</i>
<b>Total</b>	<i>33</i>	<i>39.59</i>	<i>42.5</i>	<i>32.323</i>	<i>31.28</i>	<i>173.735</i>



**ANNEX III b: Financial Situation – Regional Projects**

<b>COUNTRY: REGIONAL IOC EDF 9</b>						
<b>SITUATION : 12/31/2008</b>						
<b>Accounting N°</b>	<b>Project title</b>	<b>GFC [ 1 ]</b>	<b>IFC [ 2 ]</b>	<b>% [2] / [1]</b>	<b>Paid [ 3 ]</b>	<b>% [3] / [1]</b>
		<b>37,065,796.57</b>	<b>31,960,272.92</b>	<b>86.23%</b>	<b>23,088,436.20</b>	<b>62.29%</b>
9 ACP RSA 1	Projet Pilote Régional de surveillance, contrôle et suivi des Grands pélagique migrants	3,415,796.57	3,095,132.09	91%	2,615,074.06	77%
9 ACP RSA 5	Regional Tuna tagging Project	4,300,000.00	4,205,383.21	98%	3,546,476.10	82%
9 ACP RSA 6	Regional Tuna tagging Project	9,700,000.00	9,697,758.82	100%	9,375,989.69	97%
9 ACP RSA 7	Appui institutionnel au secrétariat général de la COI	1,650,000.00	1,569,184.12	95%	1,396,183.69	85%
9 ACP RSA 20	Regional Programme for the sustainable management of coastal resources	18,000,000.00	13,392,814.68	74%	6,154,712.66	34%



ANNEX III c : Financial Situation – EIB Projects

Mauritius projects

Date de signature	Nom du projet	Sector	Public or Private	Annee et numero de projet	Numero de compte	Avancement	Nom de l'accord financier	Montant du contrat en M EUR	Encours verse en M. EUR
11/12/2005	ALBION RESORT MAURITIUS	Tourism	Private	20050377	23343	SIGNE	ACCORD DE COTONOU	5.0	4.
30/03/2006	ALBION RESORT MAURITIUS	Tourism	Private	20050377	23438	SIGNE	ACCORD DE COTONOU	14.0	14.
21/12/2004	MAURITIUS CONTAINER TERMINAL II	Infrastructure	Public	20030167	22871	SIGNE	ACCORD DE COTONOU	14.0	10.
28/07/2005	SBM GLOBAL LOAN	SME financing	Private	20040703	23147	VERSE	ACCORD DE COTONOU	20.0	20.
12/08/2003	BEL OMBRE HOTEL	Tourism	Private	20030010	22172	VERSE	ACCORD DE COTONOU	6.1	4.
12/08/2003	BEL OMBRE HOTEL	Tourism	Private	20030010	22173	VERSE	ACCORD DE COTONOU	3.3	2.
12/08/2003	BEL OMBRE HOTEL	Tourism	Private	20030010	22174	VERSE	ACCORD DE COTONOU	2.8	2.
20/12/2002	CWA REDUCTION OF NON-REVENUE WATER	Infrastructure	Public	20010534	21884	SIGNE	LOME - CONVENTION 4 - PROT.2	20.0	2.
18/02/2002	RODRIGUES POWER STATION	Infrastructure	Public	20000381	21479	VERSE	LOME - CONVENTION 4 - PROT.2	2.0	1.
17/12/2001	PLAINES WILHEMS SEWERAGE	Infrastructure	Public	20000476	21396	SIGNE	LOME - CONVENTION 4 - PROT.2	35.0	
10/10/2000	SSR AIRPORT EXTENSION II	Infrastructure	Public	19982077	20747	VERSE	LOME - CONVENTION 4 - PROT.2	18.0	1.
21/09/1998	HAREL BELLE-VUE BAGASSE ENERGY	Infrastructure	Private	19952193	17670	VERSE	LOME - CONVENTION 4 - PROT.2	10.0	1.
18/12/1995	PORT OF PORT-LOUIS	Infrastructure	Public	19942202	18394	VERSE	LOME - CONVENTION 4	12.0	4.
07/07/1997	PORT OF PORT-LOUIS	Infrastructure	Public	19942202	19635	VERSE	LOME - CONVENTION 4	3.0	0.

12/09/1996	AMENAGEMENT DE L'AEROPORT	Infrastructure	Public	19935025	18948	VERSE	LOME - CONVENTION 4	8.0	1.
06/11/1995	BAIE DU TOMBEAU SEWERAGE PROJECT	Infrastructure	Public	19942203	18201	VERSE	LOME - CONVENTION 4	16.0	5.
29/12/1994	TELECOMMUNICATIONS	Infrastructure	Public	19911080	17771	VERSE	LOME - CONVENTION 4	14.0	3.
20/09/1993	CWA - ADDUCTION D'EAU - LA MARIE	Infrastructure	Public	19911110	16799	VERSE	LOME - CONVENTION 4	10.0	2.
20/09/1993	CWA - ADDUCTION D'EAU - LA MARIE	Infrastructure	Public	19911110	70920	VERSE	LOME - CONVENTION 4	2.0	0.
02/12/1987	CEB IV	Infrastructure	Public	19871066	70701	VERSE	LOME - CONVENTION 3	3.0	0.
25/08/1986	DBM III PRET GLOBAL	SME financing	Public	19861018	70612	VERSE	LOME - CONVENTION 3	2.0	0.
16/12/1986	SOCOTA TEXTILE MILL	Textile	Private	19861042	70632	VERSE	LOME - CONVENTION 3	1.5	0.

221.7 83.9

**ANNEX III d: Use of budget support**

<b>EDF</b>	<b>COMMITMENT (Million €)</b>	<b>AVAILABLE TRANCHE in 2008 (Million €)</b>	<b>DISBURSED in 2008/2009 (Million €)</b>	<b>DATE</b>
9th EDF WSPSP	38.0	3.612	3.612	5 July 2007
9th EDF SPSP (variable tranche)	4.5 (in 2006)	4.5	4.5	25 June 2008
9th EDF ICED I GBS (fixed tranche)	8.742 (in 2007)	8.742 (in 2008)	8.742	13 Aug 2008
9th EDF FLEX 2006 ICED I Part 2 GBS	19.510 (in 2007)	2 tranches of 9.755 (in 2008/9 and 09/10)	9.755	13 Aug 2008
<b>TOTAL</b>	<b>70.752</b>	<b>36.364</b>	<b>26.609</b>	<b>-</b>

<b>Budget Line</b>	<b>COMMITMENT</b>	<b>AVAILABLE TRANCHE in 2007</b>	<b>DISBURSED in 2008/2009</b>	<b>DATE</b>
SUGAR SPSP 2006	6.5 (in 2006)	6.5	6.5	July 2007
SUGAR ICED I GBS (fixed and variable)	36 (in 2007)	36 (in 2008)	33.3	2008
<b>TOTAL</b>	<b>42.5</b>	<b>42.5</b>	<b>39.8</b>	<b>-</b>

## Mapping of significant Technical Cooperation operations and PIUs and TC/PIU Action Plan 2009.

### Objective:

This mapping exercise is part of the implementation of the "Backbone Strategy" which aims to reform Technical Cooperation and Project Implementation Units for External Aid provided by the EC. This exercise is separate to the OECD DAC monitoring process and has a dual purpose. On the one hand it will provide the Delegation/Unit with a working document to use in the discussions with the Partner Government and other donors on Technical Cooperation issues; on the other hand, it will help AIDCO obtain a comprehensive overview of significant technical cooperation projects, identify countries where support is needed and promote good practices and examples that could be of inspiration elsewhere.

Note that an exercise on mapping of parallel PIUs was already undertaken as part of the EAMR July 2008. The current annex has a broader scope and takes stock of the previous EAMR.

### Scope:

The mapping exercise covers all "significant" (see definition below) Technical Cooperation operations and PIUs in third countries under AIDCO responsibility, including:

- country/regional bilateral development cooperation programmes (NIP/RIP implementation, centralised operations managed in HQ)
- Thematic budget lines (both managed at country level and centrally in HQ)

All "significant" Technical cooperation operations/PIUs should be considered part of this exercise. Note that TC operations/PIUs of projects/programmes implemented by International Organisations and NGOs should also be included in the mapping table and action plan.

### Definitions:

#### "Significant" Technical Cooperation operations / PIUs

By "TC Operation" we intend the TC component of a project/programme. The TC Operation may be implemented by one or more contracts (services, grants or contribution agreements). When filling in the tables, in order to keep the exercise simple (and unless this simplification seems clearly inappropriate), please consider the TC component of a project/programme to be the set of all TC contracts related to that project/programme (example: a project where three separate contracts are established for three separate components, such as A technical assistance, B training and C "studies", should be considered as a single TC Operation of the project/programme).

**Both the following criteria should be met to include the operation in the mapping:**

**- First criterion:**

- all TC operations under purpose category 1 (Capacity Development) and all NAO support units (for EDF countries),  
For all other TC purposes (categories 2/3/4-see below) – operations above 1 M€ should be indicated  
and

**- Second criterion:**

- TC operations/PIUs implemented by contracts ending (or expected to end) on or after 31/12/2009 (includes both ongoing contracts on 31/12/2008 and TC operations starting in 2009, and **excludes** TC operations starting in 2010 and beyond)

**Mini-Glossary**

**PIU** - Project Implementation Unit: when providing development assistance, donors have commonly established Project Implementation Units to take charge of managing project implementation.. PIUs are also referred to as project management units, project management offices, project co-ordination offices etc. PIUs may be more or less integrated into local institutional and administrative structures.

**Implementation arrangements:** refer to how a project is set up and managed. Considerations may include the following aspects: (i) Governance and accountability of the programme (who should the programme be accountable to in country system); (ii) Management set-up (who should perform daily programme management functions); (iii) Logistical autonomy of the programme (means as vehicles, photocopiers, etc. owned or shared); (iv) Relations between TC experts, partners and the EC (to whom are the experts accountable to); (v) EC's and other donors' roles in the programme

**NAO:** National Authorizing Officer (applicable for EDF countries)

**TC:** Technical Cooperation is the provision of know-how in the form of short- and long-term personnel, training and research, twinning-arrangements, peer-support and associated costs.

**The purposes and the four roles of TC**

Four roles are defined based on the main purpose of the TC operation. Although the four purposes are not exclusive and may overlap, for each operation only the main of the four purposes should be marked, unless in cases where this simplification seems clearly inappropriate, in which case two purposes (one primary and one secondary) may be marked.

CD remains the primary purpose that TC should support – and this is an area where the EC has to do much better.

Importantly, however, there are legitimate and important roles for TC which do not focus on capacity development or on capacity development only.

The aim of listing different purposes for TC is to make the choices transparent and explicit, and to avoid the situation where TC support is claimed to be for CD but is in fact not.

#### **1. Capacity development of organisations and individuals**

Actions aimed at strengthening individual and organisational capacity by providing expertise (short and long term TA personnel, institutional twinning arrangements, mobilisation of Diaspora, etc.), training and related learning opportunities (peer exchange, tertiary education, etc.), and equipment.

#### **2. Providing policy and/or expert advice (or other knowledge products)**

It is often of short duration. It can be limited in scope and of a purely technical character – e.g. presenting relevant EC environmental and product standards to prospective exporters of goods to Europe, or ensuring that high level officials in the Ministry of Transport are exposed to regional experiences with road funds. Such TC is less complex and demanding for both partners and EC staff.

Where the partner cannot deliver needed services or manage the implementation of urgent complex service delivery programmes.

#### **3. Strengthening implementation (of services, investments, regulatory activities) may be relevant in two situations:**

- Linked to classical investment projects in the form of design and supervision engineers and specialists who, on behalf of the building owner, specifies design and supervises contractors. This form of TC is used in both developed and developing countries because governments and other building owners do not have the technical expertise and do not aim to have it either, leaving this to the private sector.

Such implementation TC should follow good international practices for building owner/engineer/contractor cooperation, a specialised topic beyond the scope of these guidelines.

- Where the partner cannot deliver needed services or manage the implementation of urgent complex service delivery programmes.

#### **4. Preparation / facilitation of EC cooperation (or broader donor cooperation)**

When specialised support to the preparation of EC funded programmes may be needed.

Also applicable in the context of sector wide or programme-based approaches where several donors harmonize their support to a country-led programme. In such cases, TC may support policy dialogue, monitoring and interaction with the country stakeholders and other donors

CD remains the primary purpose that TC should support – and this is an area where the EC has to do much better.

Importantly, however, there are legitimate and important roles for TC which do not focus on capacity development or on capacity development only.

The aim of listing different purposes for TC is to make the choices transparent and explicit, and to avoid the situation where TC support is claimed to be for CD but is in fact not.



**Quality Frame for TC operations across the cycle of operations**

**QUALITY CRITERIA (Based on the Guidelines on TC/PIA finalised Nov 2008)**

1. Fits the context	2. Commitment and adequate ownership from partners	3. Link to results and expected outcomes	4. The support is harmonized and sustainability of benefits considered	5. The implementation arrangements are appropriate
<p>1.1 The context analysis confirms that TC is the appropriate aid modality.</p> <p>1.2 There are no critical constraints which would impede achieving the purpose of the TC supported programme.</p> <p>1.3 Similar programmes and types of TC support have been successful in the current context</p>	<p>2.1 Key stakeholders have convincingly expressed commitment and demand for support which is commensurate to the size of the project ; for CD interventions commitment matches the scope of change</p> <p>2.2 Partners have participated adequately in the design/implementation of TC support, beyond formally endorsing proposals</p> <p>2.3 The inputs from partners have been specified and are sufficient to indicate that ownership is strong enough to achieve and sustain the desired results</p>	<p>3.1 Results and/or outcomes are defined/monitored at the level of actual service delivery, regulation or investments in use, beyond immediate TC deliverables</p> <p>3.2 TC roles and executive roles of partners are specified/ fulfilled. If partners play no or a limited role, this is separately justified</p> <p>3.3 Innovative forms of TC support have been considered/used; TC inputs are balanced in size and intensity to the partner's capacity to lead, manage and absorb support.</p>	<p>4.1 Synergies and harmonisation options have been explored and where relevant actively pursued with partners and other donors.</p> <p>4.2 TC support from other donors in the sector has been mapped, and other main donors have been/are consulted on the possible upcoming TC support</p> <p>4.3 Proposals for stand-alone TC support are clearly justified, and strategies for further harmonization and sustainability of benefits provided.</p>	<p>5.1 The implementation arrangements are designed/are effectively based on the results to be achieved and considering their dependency on inputs from partner organisations.</p> <p>5.2 The managerial autonomy of the arrangements are giving adequate authority over programme resources considering the purpose of the programme</p> <p>5.3 Partners are adequately leading the implementation arrangements and there is clear accountability to domestic stakeholders.</p>

**Parallel PIUs**

**Revised Definition to be applied in the current reporting exercise**

A PIU is parallel when it is created and operates outside existing country institutional and administrative structures at the behest of a donor. In practice, there is a continuum between parallel and integrated PIUs. The criteria below have been designed to help donors and partner authorities draw a line within this continuum and identify with greater certainty parallel PIUs.

**For the purpose of this Survey, PIUs are said to be parallel when they meet at least three out of the four criteria set out below** (anything less counts as integrated):

**Criterion 1:** Are the PIUs accountable to the external funding agencies/donors rather than to the country implementing agencies (ministries, departments, agencies etc)? (Y/N)

**Criterion 2:** Are the terms of reference for externally appointed staff determined by the donor (rather than by the country implementing agencies)? (Y/N)

**Criterion 3:** Is most of the professional staff appointed by the donor (rather than the country implementing agencies)? (Y/N)

**Criterion 4:** Is the salary structure of national staff (including benefits) higher than those of civil service personnel? (Y/N)

**Significant TC/PIU Mapping Table (Ongoing and Pipeline Operations) - January 2009**

**Country:** Mauritius, Comoros, Seychelles, Mayotte\*

Programme / Project	TC/PIU component (cf. page 2 for TC purpose table)	Quality Assessment  Indicate: a = Very Good b = Good c = Has problems d = Serious deficiencies (cf. page 3 for quality criteria table)	Type of PIU  For programmes / projects which have a PIU (Integrated and Parallel) (cf. page 3 for definitions & criteria)
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Programme / Project Title		CRIS / OLAS Number	Indicate TC Purpose 1/2/3/4	Actual / Estimated Implementation period of "TC Component" (Month/Year - Month/Year)	Amount in €	Contracting Authority / (EC or Partner Government)	Fits the context	Adequate ownership	Clear link to results / outcome	coordinated with donors	Appropriate Implementation Arrangement	Other quality pb / comments	Criterion 1 (Y/N)	Criterion 2 (Y/N)			
Ongoing	1	MAS - Decentralised Cooperation Programme (DCP)	9 ACP MAS 6	3	12/2005-03/2010	1,464,576	CA	b	c	b	b	b	policy framework keeps changing	n	n	n	
	2	COM - CAON II - Cellule d'appui ON	9 ACP COM 14	1	10/2007-09/2011	2,600,000	CA	b	b	c	c	b		n	y	n	
	3	COM - Decentralised Cooperation Programme (PCD)	9 AC COM 8	3	01/2006-03/2011	1,389,920	CA	b	c	c	b	b		n	n	n	
	4	MY - no PIU, no TC above 1 Moi €/cat 1															
	5	SEY - no PIU, no TC above 1 Moi €/cat 1															
	6	Regional Project - Recomap	9 ACP RSA 20	3	2006-2011	4,330,800											
						CA	b	b	b	b	b		n	y	n		

	7	Regional Project - RTTP - Regional Tuna Tagging Programme	9 ACP RSA 5-6	3	2005-December 2009	1,632,167	CA	b	b	b	c	b		n	y	n
TC Operation Starting in 2009	1	Capacity Building to Commissariat General au Plan - Comoros		1	3/2013	1,900,000	CA	a	b	b	c	a		y	n	n
	2															
	3															
	4															
	5															

## TC/PIU Action Plan 2009

The TC/PIU Action Plan is the key management tool to support Delegations in the implementation of the Strategy at country level. It should be completed by Delegations and discussed with partner countries. It's a starting point to develop policy dialogue on TC. It aims at providing Delegations and HQ with a clear view of the measures to be taken to frame the Backbone Strategy. Adequate support from HQ will be planned on the basis of the Action Plans. It will be posted on the TC interactive platform to facilitate exchanges between Delegations and give a view of concrete measures for the implementation of the Strategy.

The TC/PIU Action Plan 2009 should be based on the Mapping Table and should identify:

- i) problems and actions to improve the Project Implementation Arrangements and to ensure better accountability of all TC operations;
- ii) actions to address TC practices which conflict with the guiding principles of the Backbone Strategy.
- iii) measures to phase out Parallel PIUs where they exist;

The TC/PIU Action Plan will detail the measures of ongoing significant TC operations and of those starting in 2009 (based on mapping) in order to ensure compliance with the Backbone Strategy and, where relevant, set ambitious targets for coordinated TC, in particular in countries/sectors relevant to the Division of Labour fast track initiative. Transversal "quick win" actions (such as communications/training/seminars/events) should be identified where possible to stimulate change on a broader scale.

Please complete this for any current project/programme where you believe the TC component can improve. Please note that where a "c" or "d" has been indicated in the Mapping Exercise, specific actions to address the identified TC problems/constraints should be included in the Action Plan

## **PART A / Technical Cooperation and PIU Action Plan at project/programme level**

	<b>Programme/Project Title</b> (Please Insert Additional Rows as necessary)	<b>Problems/ Constraints identified in TC Component</b> ( please indicate problems/constraints in relation to TC quality criteria on Page 3)	<b>Specific Action/s needed to address identified TC problems/ constraints</b> (including phasing out of parallel PIUs where relevant)	<b>Deadline/ Participants</b>
--	--	---	---	-------------------------------

Ongoing TC Operations	1.	PCD/DCP Comoros and Mauritius	<p>1. The implementation modalities are chosen in relation to the capacities of the ministries concerned and either private indirect decentralised operations or direct decentralised operations as foreseen in the Practical Guide Programme Estimates.</p> <p>2. ToRs are drafted in co-operation with the Contracting Authority.</p> <p>3. Changing political prioritisation of initiatives requires to adapt the ongoing project</p>	Small island states face capacity shortages and do not build-up specialist knowledge for each implementation modality foreseen by a project. Further harmonisation and simplification of these modalities is to be pursued.	For simplification and harmonisations there is not room for initiatives on Delegation level. Future projects of this type could be programmed as a grants.
	2.	CAON II - Cellule d'appui ON	<p>1. This support unit was to reinforce linkages between the EC and the Comorian Authorities as regards management of EC projects thus building the yet lacking capacities. It is further envisaged to extend the activities to Commissariat Gen-eral au Plan to enhance donors' coordination.</p>	<p>1. It is expected that the activities of CAON II will progressively be phased-out. Capacity Development and institutional support for improving aid effectiveness shall be provided to the Commissariat Generale au Plan under 10th EDF, thus paving the way for autonomy of the NAO office.</p>	2012 - EC and other donors
TC Operation Starting in 2009	1.	Capacity Building to Commissariat General au Plan - Comoros	<p>1. This support will strengthen the capacity of the country primarily the Commissariat General au Plan to better plan, coordinate and monitor aid development programmes.</p>	<p>1.</p> <p>2.</p> <p>3.</p>	<p>1.</p> <p>2.</p> <p>3.</p>
	2.		<p>1.</p> <p>2.</p> <p>3.</p>	<p>1.</p> <p>2.</p> <p>3.</p>	<p>1.</p> <p>2.</p> <p>3.</p>

## PART B / Technical Cooperation Action Plan - Crosscutting measures

	Country/Regional-level actions, not specific to a project but complimentary to the actions identified for each TC operation (such as: communication, workshops, country-level assessments...)	Deadline/ Participants
1.	Del Zambia is in the lead of regional projects, pls refer to their findings.	
2.		
3.		
4.		
5.		

Annex V (on excel files)

a. Indicative timetable for disbursements of 9<sup>th</sup> EDF (from 2008 onwards)

b. Planned EDF commitments in 2008

Annex VI (Attached separately)

Annex VI a: Prospective Governance Commitments

Annex VI b: Governance Profile for Mauritius under CSP – 10<sup>th</sup> EDF



**ANNEX 6 : PROSPECTIVE GOVERNANCE COMMITMENTS: MAURITIUS**

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

I. **POLITICAL/DEMOCRATIC GOVERNANCE (VOICE AND  
ACCOUNTABILITY FOR WBI)**

Government is committed to ensuring that human rights are well respected in Mauritius. In this context amendments will be brought to the Protection of Human Rights Act by December 2007 to strengthen the National Human Rights Commission (“NHRC”)

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

The functioning and enforcement powers of the National Human Rights Commission will be reviewed, in the light of the recommendations made by the UN Human Rights Committee in March 2005 and of the Paris Principles.

**STATUS**

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

- *Draft Protection of Human Rights (Amendment) Bill, together with Draft National Preventive Mechanism Bill and the Police Complaints Bill, have been prepared. After consultation with stakeholders the Bills are being reviewed by the Attorney General's Office. It is proposed to introduce the Bills in*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*Parliament this year.*

- *The Equal Opportunities Bill was passed in the National Assembly on 16 December 2008 and it provides for the establishment of an Equal Opportunities Commission.*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

**II. POLITICAL GOVERNANCE/RULE OF LAW: JUDICIAL AND LAW**

**PRISONS**

**ENFORCEMENT SYSTEM**

It is proposed to further improve the prison conditions and environment and to provide better facilities for detainees. The objective is to have one cell per detainee and a dormitory to accommodate between three and twenty detainees.

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

**STATUS**

- *About Rs 22 million are spent every year for improving the conditions in prisons. At beau Bassin and Women's Prison, accommodations have increased*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

- *In all prisons, toilets, baths and other facilities including kitchen have been improved.*
  
- *Different secretariats are working on the Strategic Action Plan 2007 – 2009 and monthly progress is being monitored and key performance indicators are set.*



## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

- *The proposed New Prison at Melrose has been planned to achieve the objective of having one (1) cell per detainee and about twenty (20) detainees per dormitory.*
- *The proposed New Prison at Melrose for 750 detainees is in progress. The conceptual drawings have been completed and*



## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*working drawings are expected to be completed in April 2009.*

*According to the Ministry of Public Infrastructure, Land*

*Transport and Shipping, construction is scheduled to start in*

*November 2009 for duration of 18 months.*

- *Weekly meetings are being held with the Ministry of Public*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*Infrastructure, Land Transport & Shipping to monitor the*

*progress of works of prison's capital projects.*

**POLICE**

Government is firmly committed to improve investigative methods and eliminate and punish police violence.

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

To achieve this, the following measures will be introduced:

#### STATUS

- *The DNA Bill is being finalized and will be introduced when the*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*National Assembly resumes in March 2009.*

- *An Independent Police Complaints Commission will be established and will provide for more transparency in the investigation of complaints made against police officers.*
- *A Draft Police Complaints Commission Bill has been prepared.*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*In light of the Comments of the Chairperson of National Human Rights Commission, the Bill has been reviewed by the Attorney General's Office. It will be introduced during the next session of the National Assembly in 2009.*

**JUDICIARY**

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

By letter dated 12 February 2007, the Judiciary has indicated that it proposes to reduce delays in completing pre-trial procedures and court proceedings by almost 50% by the end of December 2008.

Government proposes to implement measures recommended by Lord Mackay in 1997 and 2006 in his review of structure and operation of the judicial system and legal profession

Those measures include:

- (a) the restructuring of the Supreme Court into a High Court and a Court of Appeal, which will result in a permanent Division of the High Court hearing first instance criminal cases throughout the Court term

STATUS

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

- 

*Two judges of the Supreme Court have been deputed to hear drugs and criminal cases at the Assizes. The Criminal Division of the Supreme Court is fully operational.*

**CRIMINAL COURT**

- 

*The Assizes court is holding daily sessions since January 2008,*



**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*backlogs have been cleared, and new cases brought to the court*

*are being heard within 3 months.*

- 

*An additional Judge has been appointed on 14 January 2008.*

*Four additional judges have been appointed and special*

*divisions of the Supreme Court have been created to hear and*



## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*determine specific types of cases.*

#### **FAMILY DIVISION – SUPREME COURT**

- 

*A Family Court has been set up and is fully operational. The*

*Family Division has now moved to more spacious*

*accommodation at the New Court House, Port Louis which is*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*more conducive to speedy determination of family matters. It is*

*sitting full-time to hear matrimonial cases and matters.*

**COMMERCIAL DIVISION – SUPREME COURT**

- 

*This division is operational since January 2009 at the ex-Human*

*Rights Centre, and deals with all commercial litigations brought*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*to court.*

- 

*The Human Rights Centre was refurbished to suit the*

*requirements of the Judicial Committee of the Privy Council*

*which held sittings in Mauritius in September 2008 to hear*

*appeals from the Supreme Court of Mauritius. After further*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*modifications, the building is now being used by the  
  
Commercial Division of the Supreme Court.*

**(b)**

**The setting up of a separate DPP's Office with a team of law  
  
officers doing exclusively criminal prosecution work, which will  
  
result in less backlog at the level of the DPP's Office.**

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

#### STATUS

- As from 12 February 2008, the DPP's office has been divided in

three units namely –

- Civil Advisory Council and Litigation Unit;

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

- Criminal Advisory Council and Litigation Unit (or DPP); and
  
- Legislative Drafting Unit

(c)

**The introduction of statutory time-limits for instituting proceedings before Court.**

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

**STATUS**

- 

The matter needs to be discussed further with the appointment of new Chief Justice.

- 

A Scheme has been set in place in July 2007 for the Judges of the Supreme Court to undertake a management of old cases with a



**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

view to their being put into shape for their prompt and early disposal, yielded positive results in as much as these cases have already been disposed of and the remaining are scheduled to be heard and completed this year.

(i)

Expansion and refurbishing of New Court Room facilities



**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

Various administrative offices are being moved to the newly rented Astor Court building, Port Louis thus liberating office space at the Supreme Court for the creation of Chambers and offices for newly appointed judges and magistrates.

**Additional court rooms**

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

Plans for the creation of 5 additional court rooms at the New Court House, Port Louis have been finalized; tenders have been launched for the appointment of a contractor. The court rooms are targeted to be ready by July, this year.

(ii)

**RENOVATION**

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

**FLACQ DISTRICT COURT**

The contractor for the renovation of the listed building has been appointed and renovation work is well under way.

**BAMBOUS DISTRICT COURT**

Drawings for the new building have been finalized and approval from

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

various authorities are awaited before launching the tender procedure.

**MOKA DISTRICT COURT**

The wooden structure being in an advanced dilapidated state, beyond any economical repair, and unsafe for occupation, the Moka Court had to be transferred to sit at Rose Hill to handle court business pertaining to

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

Moka district.

**JUDICIAL ARCHIVES**

A DBM building at Plaine Lauzun has been identified for the judicial archives, and the lease will be signed shortly.

Files of disposed cases from all Courts will be stored in one central place,

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

thus liberating office space in all district courts.

#### **ELECTRONIC FILING SYSTEM**

Negotiations are still on with a Singaporean firm for the installation of an

electronic filing system that will also cater for the digital recording of

court proceedings and for the production of transcript of the

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

proceedings in real time.

Funds are urgently required for the construction of Court buildings appropriate infrastructure to provide a modern and suitable Judicial Court Service.

**SPECIAL COMMITTEE FOR JUDICIAL REFORM**



**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

The following Special Committees which are of utmost importance for the implementation of Judicial Reforms Program of the Judicial Service and presided by Judges of the Supreme Court have been constituted to look into such urgent matters as-



## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

- Judicial Training;
- Court Management and Cash Flow Monitoring;
- Court Security;
- Court uniformisation and Standardisation;
- Court Services to court users;

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

- Implementation and Management of Judicial projects.

**III. CONTROL OF CORRUPTION**

Government aims at improving the ranking of Mauritius on the corruption index. The following measures *inter alia* will be implemented-

Amendment of the Prevention of Corruption Act (PoCA) with a view to-

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

- widening the definition of corruption offence to include 'private corruption';
- strengthening the evidence-gathering powers of ICAC; and

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

- Streamlining the procedures laid down in PoCA.

**STATUS**

- *The Parliamentary Committee has already considered and finalized the proposed amendments to the Prevention of*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*Corruption Act 2002. These proposals will be submitted to the relevant authority for approval. These Legislative Reforms include amendments to PoCA 2002, to reinforce the offence of private sector corruption, to establish illicit enactment as an offence and to increase the powers of ICAC under Section 50.*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

- *20 Corruption Prevention Reviews (CPR) have been undertaken and 800 recommendations have been made. Some are still ongoing. (Annex A refers to the reviews mentioned).*

**GOVERNANCE INDICATORS**

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

- *In order to enhance governance under Item III of the Governance*

*Profile – Control Corruption of the Country Strategy Paper ( CSP)*

*for the 10<sup>th</sup> EDF, the Republic of Mauritius set as main target in*

*2006 the improvement of the CPI rating for Mauritius. Our target*

*was to bring Transparency International Corruption Perception*



## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*Index to a score of 4.5 in 2009 and eventually to 4.8 in 2012.*

- *The Corruption Perception Index (CPI) of Transparency*

*International which ranks 180 countries by their perceived levels*

*of domestic corruption has improved considerably over the last*



## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*few years.*

- *The Republic of Mauritius is the second best rated country in*

*Africa after Botswana.*

The following Governance Indicators have been very positive for

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

Mauritius:

- **Worldwide Governance Indicators – *The island ranks third on the list of 52 African countries for applying measures of good governance. This is recognition of its determined efforts to fight***

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*corruption in all its forms.*

- **Doing Business (WB) – *The World Bank in its publication on***

*Doing Business, ranked Mauritius 1<sup>st</sup> in Africa*

- **The Mo Ibrahim Index – *In 2008 the Republic of Mauritius was***

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*once again ranked first among 48 sub-Saharan countries*

*surveyed.*

- **World Audit Report January 2009 – Mauritius was among the**

*leading African country (32<sup>nd</sup>)*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

- *About 40 education projects have been carried out in order to create awareness in citizens on the evils of corruption and to reinforce anti-corruption attitudes in officers.*

Anti-Corruption initiatives under the education mandate include:

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

- *mass communication activities*
- *value-based programmes for schools*
- *workshops for civil servants including new recruits*
- *a new module on “Moral Values and Good Governance Module”*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*at the University of Mauritius*

- *increase participation of civil society in the fight against*

*corruption with setting up of networks among all components of*



**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*the civil society.*

- *The public Procurement Act is in operation since 17 January*

*2008*

**IV**

**GOVERNMENT EFFECTIVENESS**

A Public Finance Management (PFM) assessment based on PEFA



## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

methodology is underway and will be completed by June 2007. Once the areas requiring improvement are identified, the consultants will be requested to formulate a costed action plan and timetable for implementation. Government has requested assistance from the IMF Fiscal Affairs Department to strengthen the PFM system.

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

#### STATUS

- *A Public Finance Management (PFM) assessment has been carried out. Steps are being taken by the Ministry of Finance and Economic Empowerment to implement the PFM as recommended by the Public Expenditure and Financial Accountability ( PEFA)*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*methodology to improve on areas where scores are lower than A.*

V

**ECONOMIC GOVERNANCE ( REGULATORY CAPACITY FOR WBI)**

- The Business Facilitation (Miscellaneous Provisions) Act 2006 which aims at improving the investment climate and at the same time our ranking in the “Doing Business Survey” is fully operational.

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

**STATUS**

- *The Business Facilitation (Miscellaneous provisions) Act 2006*

*has been proclaimed on 30 August 2006. Our ranking in the*

*"Doing Business Survey" is 24<sup>th</sup> as compared to 27<sup>th</sup> in 2008 and*

*32<sup>nd</sup> in 2007.*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

- *In addition, labour reforms are being carried out to improve our investment climate.*

- *The Employment Relations Act and the Employment Rights Act have been passed in the National Assembly on 22 August 2008 and the President of the Republic has given its assent thereon on*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*19 September 2008. Both Acts will be gazetted soon.*

- *The Government is committed to the principle of effective exchange of information for tax purposes on the basis of the latest OECD model convention on the avoidance of double taxation. For that purpose, it intends to continually update its domestic*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*provisions, whenever required, to ensure that the competent authorities have adequate powers to obtain and share information with its Treaty partners, including banking information and irrespective of domestic tax interest. It also intends to engage into negotiations with EU Member States with which Mauritius has a*



**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*Double Taxation Avoidance in order to render the provisions on exchange of information compliant with the latest OECD model for those Member States Convention. The Government will continue its dialogue with the OECD, pursuant to commitments taken and pursue on-going efforts to keep the tax regime free from harmful*



## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*features.*

The Fisheries and Marine Resources (Amendment) Act aims at

harmonizing the fisheries administrative and legislative framework of

countries of the IOC region. The draft Fisheries and Marine Resources

Bill is being finalized by the Attorney General's Office and will be enacted

<b>OVERALL CONCLUSION</b>	
<b>GOVERNANCE PROFILE</b>	<b>COMMITMENTS</b>
	by June 2007.
	<b>STATUS</b>
	The Fisheries and Marine Resources Act was proclaimed on 08 May 2008.

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

VI

INTERNAL AND EXTERNAL SECURITY (POLITICAL  
  
STABILITY AND ABSENCE OF VIOLENCE FOR WBI)

VII

SOCIAL GOVERNANCE

The Labour (Amendment) Act 2006 bringing the minimum age of  
  
employment from 15 to 16 was proclaimed on 18 December 2006 and is

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

in operation as from that date. The objective of the Act is to prohibit child employment.

#### STATUS

- *The Employment Rights Act and the Employment Relations Act were introduced in the National Assembly in July 2008 and*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*were passed on 22 August 2008. Both Acts will be published in the Gazette. These new laws will be replacing the Labour Act of 1975 and the Industrial Relations Act of 1973.*

- *The Child Protection Act 1994 was further amended in December 2005 to make provision for all cases of child*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*trafficking, abandonment and abduction to be dealt with by officers of the Ministry of Women's Rights, Child Development and Family Welfare who are responsible for child welfare and development. Tougher penalties have also been provided for in case of contravention of the provisions of the law. Penalties*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*under the present Child Protection Act for sexual offences and indecent photographs of children have been revised from a fine of Rs 50,000 and imprisonment not exceeding 5 years to Rs 75,000 and 8 years respectively. As for cases of mentally handicapped victims, offenders will be liable to a fine of Rs*



<b>OVERALL CONCLUSION</b>	
<b>GOVERNANCE PROFILE</b>	<b>COMMITMENTS</b>
	<p><i>100,000 and imprisonment not exceeding 15 years instead of Rs</i></p> <p><i>75,000 and 8 years respectively.</i></p>
	<ul style="list-style-type: none"> <li><i>With a view to providing better protection to children as well as adults, a holistic approach is being considered and all legal provisions relating to human trafficking are being clustered</i></li> </ul>

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*under one legislation “ Combatting of Trafficking in Persons” Bill.*

*There is need to criminalise trafficking in persons, prevent*

*potential victims falling prey to traffickers, detect and prosecute*

*and punish all those involved in that activity, raise awareness,*

*promote collaboration among law enforcement agencies and*

<b>OVERALL CONCLUSION</b>	
<b>GOVERNANCE PROFILE</b>	<b>COMMITMENTS</b>
	<p><i>foster partnership with civil society and all stakeholders. The</i></p> <p><i>Bill is being finalized and is expected to be introduced in</i></p> <p><i>Parliament during the course of this year, following</i></p> <p><i>consultations with stakeholders.</i></p>

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

- *With a view to promoting Mauritius as a safe family destination, the Ministry of Tourism has embarked on a sensitization campaign on the impact of Commercial Sexual Exploitation of Children (CSEC)*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

- *On a regular basis, Police Officers visit schools and deliver talks and lectures on child abuse and services available for the protection of children.*
  
- *Regularly, Police Officers refer children who have been abused to the Child Development Unit for psychotherapy and*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*placement to shelters, if required.*

- *The National Children Council runs a shelter for women and children in distress and ensures that the children in the shelter as well as their respective parents are rehabilitated with a view to possibly returning the children within their family*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*environment. The shelter for women and children in distress*

*has been relocated to Pte aux Sables for the sake of more*

*adequate and appropriate spacing on the 9 July 2008.*

- *The Child Protection Act 2008 has been amended to provide for*

*the Child Mentoring Scheme. The Child Mentoring Scheme*



## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*which is a well structured and well managed programme will provide individual guidance and support to adolescents with behavioural problems, as these children are usually prone to becoming victims of commercial sexual exploitation. The Child Mentoring Scheme aims at providing such children with a role*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*model to look up to, especially when they are involved in a precarious and unstable environment. The scheme will ensure that these children be appropriately screened and matched with trained adult mentors for a one to one relationship of emotional reconstruction.*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

- *Other measures being taken by the Ministry of Women's Rights,*

*Child Development & Family Welfare are detailed at Annex B.*

### VIII INTERNATIONAL AND REGIONAL CONTEXT

Mauritius became a member of the International Organisation for

Migration (IOM) on 08 June 2006. IOM has financed a study on the

Mauritian diaspora as well as overseas labour migration funded under

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

the 1035 facility.

**STATUS**

- *IOM 1035 Facility (2007): Under its 1035 Facility, IOM financed*

*a study on the Mauritian Diaspora as well as Overseas Labour*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*Migration to map out the Mauritian diaspora and devise an Overseas Employment Strategy to enable Mauritian workers to proceed abroad, work on a temporary basis and return after having gained experience and expertise. The report has been finalized in May/June 2008 and some of the recommendations*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*made are being implemented.*

- *Labour Migration Programme. The Government is encouraging legal migration, and has included migration in its reforms policy. In this context, the IOM is advising us on migration issues. With the assistance of IOM, Labour Migration projects*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*are being implemented. A first batch of 140 Mauritian workers*

*have been recruited by Maple Leaf, a food processing plant in*

*Canada and some 20 workers are expected to be employed at,*

*Lakeside Packers, in January 2009.*

- *EU Workshop on Creating Developing Benefits through Circular*



**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*Migration: In July 2007, Mauritius participated at the First Global Forum on Migration and Development (GFMD) in Brussels (9-11 July 2007). The Mauritian delegation presented a concept paper on Circular Migration. As one of the recommendations of the GFMD (2008), a Workshop on Creating*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*Development through Circular Migration was held on 8-9 September 2008 in Mauritius, which was jointly financed by the European Commission and Mauritius. The conclusions of the workshop were presented at the GFMD in the Philippines in October 2008.*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

- *Circular Migration Programme with France. A Bilateral Agreement on Circular Migration between Mauritius and France was signed on 23<sup>rd</sup> September 2008. The Agreement relates to the development of a Circular Migration Programme with France on a pilot basis. This will allow Mauritian workers to go*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*and work in france, gain experience, save money, before returning to Mauritius to find employment in new sectors of the economy or set up their own Small and Medium Enterprises (SMEs).*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

- *IOM 1035 Funding Facility (US\$100,000) for development of a Database and Migrant Resource Centre (2008): Implementation is currently under way.*
- *2<sup>nd</sup> Global Forum on Migration and Development, 27-30 October*

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*2008, Philippines: Mauritius participated in the Forum and together with the EC presented the Mauritian Circular Migration Project and the outcomes of the Workshop held in Mauritius. Mauritius also made a plea for support from development partners such as EC, IOM, OECD and World Bank*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*for their support for the Circular Migration Pilot Project. There*

*were consensus that Circular Migration through Bilateral*

*Labour Migration Agreements could pave the way for fostering*

*legal migration and curtailing irregular/illegal migration.*



**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

The mandate of the National Economic and Social Council  
  
(NESC) as the focal point for the APRM exercise has been re-confirmed  
  
by Government.

<b>OVERALL CONCLUSION</b>	<b>COMMITMENTS</b>
<b>GOVERNANCE PROFILE</b>	<p data-bbox="710 1131 742 1232"><b>STATUS</b></p> <ul data-bbox="917 145 1348 1232" style="list-style-type: none"> <li data-bbox="917 145 1348 1232">• <i>Since the Official launching of the APRM exercise in April 2007, the NESCS and the consultant ( Ernst &amp; Young) have conducted a series of 22 consultative workshops during which over 1300</i></li> </ul>

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*questionnaires were received on the four core areas of governance that is (i) Democracy and Good Political Governance; (ii) Economic Governance and Management, (iii) Corporate Governance; and (iv) Socio Economic Development. These inputs were fine tuned in August 2007 during follow up consultations.*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

*Similar workshops were also held in Rodrigues. On 3 December*

*2007, a first meeting was held where NESC and Ernst& Young*

*explained the inputs expected from public institutions.*

The NESC has issued public tenders for recruitment of consultants to

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

complete the APR self-assessment report on Mauritius, which may be completed by the end of 2007. Government is contributing \$ 25,000 to the exercise in addition to US\$140,000 to been paid by UNDP.

**STATUS**

## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

- *On the basis of information/data received and their analysis, the NESC and the consultancy firm will proceed with the preparation of Self Assessment Report (SAR) for Mauritian which could then be expected to be peer reviewed during the APRM Heads of State Forum in January 2009.*

**OVERALL CONCLUSION**

**GOVERNANCE PROFILE**

**COMMITMENTS**

**IX**

**QUALITY OF PARTNERSHIP**

Government commits itself to a formal Article 8 dialogue starting in

2007

**STATUS**

- *Mauritius remains fully involved and committed to the process of*

*dialogue with the European Union under the various instances*



## OVERALL CONCLUSION

### GOVERNANCE PROFILE

### COMMITMENTS

*provided for in the Cotonou Partnership Agreement. Both at the*

*ACP level and under the Joint Parliamentary Assembly, Mauritius*

*continues to play a qualitative role for the promotion of*

*Mauritius/ACP/EU relations.*

## Planned donor disbursements in Mauritius for 2009

in € 1 million

donor	Infrastructure	Environment	Manufacturing	GBS	Social	Wastewater	Technical Assistance	multi-sector	food aid	human. aid
EC (excl EIB)				64,48	2		0,59 <sup>1</sup>			
AFD		40		30			1			
British High Commission										
EIB	6					4		45		
<b>total EU</b>	<b>6</b>	<b>40</b>	<b>0</b>	<b>94,48</b>	<b>2</b>	<b>4</b>	<b>1</b>	<b>45</b>		
ADB				133,3		0,53				
UNDP							10 <sup>2</sup>			
BADEA	6,7									
IMF										
Kuwait Funds										
IBRD-WB	33,3		13,3	33,3			0,4			
OFID	5,8									
JICA						20				
IFAD										
Commonwealth Secretariat										
Gov of India										
Gov of China/EXIM bank										
Gov of US							0,22			
Germany										
<b>total others</b>	<b>39,1</b>	<b>0</b>	<b>13,3</b>	<b>33,3</b>	<b>0</b>	<b>20</b>	<b>10,62</b>			
<b>total all donors</b>	<b>45,1</b>	<b>40</b>	<b>13,3</b>	<b>127,78</b>	<b>2</b>	<b>24</b>	<b>11,62</b>	<b>45</b>	<b>0</b>	

1 to be disbursed over 2009 to 2010.

2 over a period of 3 yrs from 2009 - 2011