

**HIGHLIGHTS OF CABINET MEETING - FRIDAY 17 MARCH 2023**

**The Cabinet met today under the chairmanship of the Prime Minister, the Hon. Pravind Kumar Jugnauth. The highlights of the deliberations are as follows:**

1. Cabinet has agreed to drafting instructions being conveyed to the Attorney General's Office for amendments to be made to the Caudan Bridges, Port Louis (Authorised Construction) Act to provide for the operation of a swing bridge over Caudan Bassin by Caudan Development Ltd.
2. Cabinet has agreed to drafting instructions being conveyed to the Attorney General's Office for the preparation of an Organic Agriculture Bill. The main objectives of the Bill would be to:
  - (a) regulate and set the minimum requirements for the production, handling, processing and labelling of organic products;
  - (b) set out the procedures of organic production, processing, handling, storage, transport and labelling;
  - (c) provide guidelines for permitted inputs used for soil fertilising and conditioning and pest and disease management;
  - (d) protect consumers against deception and fraud in the marketplace, and assure consumers that organically produced products meet a consistent standard;
  - (e) protect producers/sellers of organic products against unscrupulous people who may misrepresent their produce as being organic; and
  - (f) promote the production of quality organic products.
3. Cabinet has agreed to the signing of three Memoranda of Understanding between the Economic Development Board and governmental agencies in the western and southern parts of Africa, namely:
  - (i) *Le Centre de Promotion des Investissements de la République de Côte d'Ivoire;*
  - (ii) *Le Ministère de la Promotion de l'Investissement de la République Togolaise;* and
  - (iii) the Trade & Investment KwaZulu-Natal in South Africa.

The main objectives of the Memoranda of Understanding are to:

- (a) implement a practical framework for cooperation with regard to Trade and Investment opportunities;
- (b) design a common strategy to strengthen economic relations;
- (c) strengthen institutional relations and capacity building through cooperation; and
- (d) ensure a coherent approach to identify areas of comparative advantage, competence to strengthen investment, trade promotion and facilitation.

4. Cabinet has agreed to the signing of a Memorandum of Agreement between the Ministry of Environment, Solid Waste Management and Climate, the National Productivity and Competitiveness Council and the Human Resource Development Council. The Memorandum of Agreement would establish the framework of collaboration for the implementation of activities under a training programme.

The overall objectives of the training programme would be to:

- (i) promote awareness on the concept and the benefits of Circular Economy to SMEs;
  - (ii) build institutional capability that focuses on the efficient use of resources to operate and respond to emerging challenges in a structured manner; and
  - (iii) assist in Mauritius' green economic recovery and "building back better" its SME sector.
5. Cabinet has agreed to Mauritius signing a new Double Taxation Avoidance Agreement (DTAA) with the Republic of Botswana. The objective of new DTAA would be to replace the existing DTAA between Mauritius and Botswana to comply with the OECD/G20 Base Erosion and Profit Shifting recommendations.

The new DTAA would, inter alia:

- (i) provide certainty to investors in their dealings with Mauritius or Botswana;
  - (ii) create a conducive environment for greater cross-border investment flows between the two countries;
  - (iii) establish a framework for exchange of information between the tax authorities of Mauritius and Botswana with a view to combatting tax evasion and other tax malpractices; and
  - (iv) provide a mechanism to taxpayers for the resolution of tax disputes.
6. Cabinet has taken note that since the statement made by the Prime Minister to the National Assembly on 03 November 2022, Mauritius and the UK have held constructive negotiations on 23 and 24 November 2022, 11 and 12 January 2023, and 23 and 24 February 2023 on the exercise of sovereignty over the Chagos Archipelago. These discussions have built understanding between the two sides, and covered issues relating to ensuring the continued effective operation of the joint UK/US military base on Diego Garcia; resettlement of the former inhabitants of the Chagos Archipelago; strengthening our cooperation on a range of issues such as environmental and marine protection, improving security and tackling illegal activities in the region, amongst others.

Cabinet has also taken note that as agreed at the outset of negotiations, Mauritius and the UK have taken stock of the negotiations and agreed on next steps. The Prime Ministers of Mauritius and the UK spoke on 14 February. They welcomed the progress to date and agreed to continue negotiations with a view to arriving at an agreement in the coming months.

7. Cabinet has taken note of the promulgation of the:
- (a) Economic Development Board (Mauritian Diaspora Scheme) Regulations 2023 which would provide for measures to revamp the existing Mauritian Diaspora Scheme such as the review of the eligibility criteria, establishment of a new category of professional, introduction of a rule-based system of assessment and implementation of a time limit for a member to apply for the Scheme; and
  - (b) Income Tax (Amendment of Schedule) Regulations 2023 which would provide for consequential amendment relating to income tax holiday granted to Mauritian Diaspora under the Scheme. The Income Tax Holiday would be limited to five years compared to 10 years for a young professional and self-employed.

8. Cabinet has agreed to the construction of a waterfront at Deux Frères (ex-sand landing site). The benefits of implementing the project would be to:

- (a) boost economic activities and generate employment;
- (b) ensure safe embarkation and disembarkation of passengers from catamarans; and
- (c) provide adaptation measures to contain coastal degradation, increase coastal resilience to mitigate the risks to the public and to the infrastructure thereat.

9. Cabinet has agreed to the National Audit Office hosting the East Africa Sub-Regional Financial Audit Manual/ Compliance Audit Manual Workshop that would be organised by the African Organisation of English-speaking Supreme Audit Institutions from 22 May to 02 June 2023 in Mauritius.

The workshop would aim at rolling out the Revised Financial Audit Manual and Compliance Audit Manual to senior managers to further contribute to high quality audit deliverables. The expected outcome is geared to smooth transition of the new audit methodologies at the level of Supreme Audit Institutions. Some 30 participants from the East African countries, including Mauritius, were expected to attend the workshop.

10. Cabinet has taken note that, in the context of the forthcoming School Easter Holidays, the Ministry of Youth Empowerment, Sports and Recreation, in collaboration of the Mauritius Recreation Council, the National Youth Council and the Mauritius Sports Council would organise various activities. The objectives of the programme are to provide safe recreational, leisure and fun activities for students who are on school vacation.

The Ministry would organise beach and fun games such as foot shoot, molkky and Frisbee at four main public beaches, namely Belle Mare, Blue Bay, Flic-en-Flac and Mont Choisy. The Mauritius Recreation Council would organise water-based activities such as kayak and pedalo. The activities would end with a Youth Concert at the Blue Bay Beach Arena. A Regatta competition and a concert would also be organised at the Mahebourg Waterfront.

11. Cabinet has taken note that the Mauritius Film Development Corporation in collaboration with the Embassy of the Russian Federation in Mauritius, would organise the Russian Film Festival in Mauritius from 07 to 09 April 2023. The objectives of the Festival are, inter alia, to encourage cultural bonds between Mauritius and Russia and to present Mauritius as a potential

film shooting destination through the unique flavoured combination of world-class diverse locations and excellent one-stop services. The films would be screened at MCine in Port Louis, Flacq and Trianon.

12. Cabinet has taken note of the recommendations made by the UN Special Rapporteur in her report on the sale and sexual exploitation of children, including child prostitution, child pornography and other child sexual abuse material. The report for Mauritius was presented at the 52<sup>nd</sup> Session of the Human Rights Council in Geneva.

The Ministry of Gender Equality and Family Welfare would hold consultations with the different stakeholders with regard to the implementation of the recommendations made by the Special Rapporteur.

13. Cabinet has taken note that a total sum of Rs9,102,763.58 has been collected through the Teledon organised by Government to raise funds for the victims of the earthquake in Türkiye and Syria.
14. Cabinet has taken note of the situation of the COVID-19 pandemic prevailing in Mauritius. As at 15 March 2023, there were 27 active cases of COVID-19, out of which six were admitted at the New ENT Hospital. Over the period of 09 to 15 March 2023, no death was directly attributed to COVID-19.
15. Cabinet has taken note of the outcome of the recent mission of the Deputy Prime Minister, Minister of Housing and Land Use Planning, Minister of Tourism in Berlin, Germany, where he attended the *Internationale Tourismus Börse (ITB) Fair*.

The main objectives of the mission were, inter alia, to:

- (i) support and sustain the marketing drive for full recovery of Mauritian tourism;
- (ii) determine, by way of exchanges with travel and tourism operators in Germany, the current trends and future perspectives for the German market; and
- (iii) gain an insight on the specificities of, and potential for, tourism growth in neighbouring markets, namely Austria, Belgium, Italy and Switzerland.

The Deputy Prime Minister also had meetings with representatives of German airlines, tour operators and Austrian, Belgian, Italian and Swiss markets, to discuss issues related to the tourism markets and ecotourism.

16. Cabinet has taken note of the outcome of the recent mission of the Minister of Land Transport and Light Rail, Minister of Foreign Affairs, Regional Integration and International Trade in Botswana, where he participated in the 11<sup>th</sup> meeting of the African Continental Free Trade Area Council of Ministers responsible for Trade. Several issues of importance for Mauritius were discussed including:
  - (i) the ministerial regulation on Special Economic Zones;
  - (ii) outstanding rules of origin for automotive sector and textiles;

(iii) digital trade and women and youth in trade; and

(iv) Dispute Settlement Body.

17. Cabinet has taken note of the outcome of the recent mission of the Minister of Land Transport and Light Rail, Minister of Foreign Affairs, Regional Integration and International Trade in New Delhi, India, where he participated in the G20 Foreign Ministers' Meeting and the 8<sup>th</sup> Edition of the Raisina Dialogue.

The Minister also had bilateral meetings with the Minister of External Affairs of India, the Minister of Road Transport and Highways of India, the Minister of State for Foreign Affairs of Japan, the Vice-Minister of Foreign Affairs of South Korea, the Minister for Europe and Foreign Affairs of France, the Director General of the Federation of Indian Chambers of Commerce and Industry and the Deputy Chief Minister of the State of Maharashtra.

Discussions focused on Mauritius - India relations enhancing cooperation in the green energy and transport sector, coastal management, maritime security and defence, tourism issues, IT Sector, pharmaceutical biotechnology and trade and investment, amongst others.

18. Cabinet has taken note of the outcome of the recent mission of the Minister of Land Transport and Light Rail, Minister of Foreign Affairs, Regional Integration and International Trade, in Addis Ababa, Ethiopia, where he attended the 36<sup>th</sup> Ordinary Session of the Assembly of the African Union. The theme of the session was "Acceleration of African Continental Free Trade Area (AfCFTA) Implementation".

In the margins of that Session, the Minister had bilateral meetings with the President of the Republic of Zimbabwe, the Minister of External Relations of the Republic of Angola, the Assistant Minister of Foreign Affairs of Australia and the Speaker of the Saharawi Parliament, where issues of common interest were discussed.

19. Cabinet has taken note of the outcome of the recent mission of the Minister of Finance, Economic Planning and Development in India where he participated in the first G20 Finance Ministers and Central Bank Governors Meeting. The main objective of the meeting was to agree on the different tasks of the Working Groups under the Finance Track for 2023.

Discussions were held on macroeconomic vulnerabilities, strengthening Multilateral Development Banks, address shared global challenges, financing for climate and Sustainable Development Goals, financing 'cities of tomorrow', digital public infrastructure for financial inclusion, a globally coordinated approach to unbacked crypto assets and advancing the international taxation agenda.

In the margins of the G20 Meeting, the Minister had meetings with the Managing Director of the IMF, the Secretary General of the OECD and the Minister of Finance of India, the Governor of the Reserve Bank of India, the Minister of Finance of the United Arab Emirates and the President of the European Central Bank and the Governor of the *Banque de France* to discuss fiscal matters, economic cooperation and issues of common interest.

20. Cabinet has taken note of the outcome of the participation of the Minister of Finance, Economic Planning and Development in the first Meeting of the Inclusive Forum on Carbon Mitigation Approaches (IFCMA) and the Ministerial Forum on Responsible Business Conduct in Paris.

The aims of the meeting of the IFCMA were to assess the economic impact of climate change, discuss the challenges facing governments in accelerating the low-carbon economic transition and promote multilateral cooperation for better policy formulation.

In the margins of the event, the Minister also had meetings with high officials of the OECD to discuss issues of common interest.

21. Cabinet has taken note that in the context of ongoing construction works of the Flyover at Quay D Roundabout, the Motorway M2 would be partially closed between Mer Rouge Roundabout and Quay D Roundabout from 21 to 28 March 2023 between 20 00 hours to 05 00 hours the next day. Traffic signs would be placed and police assistance would be provided to guide road users.
22. Cabinet has taken note of the reconstitution of the Lois Lagesse Trust Fund Board with Mr Nishi Raj Kamal Dookun as part-time Chairperson.
23. Cabinet has taken note of the reconstitution of the Board of the National Adoption Council with Me Bhupendre Ramsewak as part-time Chairperson.
24. Cabinet has taken note that Mr Ravi Jugoo has been appointed as part-time Chairperson of the Outer Islands Development Board.

17 March 2023

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