RIISING TO THE CHALLENGE OF OUR AMBITIONS

BUDGET SPEECH
2017-2018

The Honourable Pravind Kumar Jugnauth
Prime Minister
Minister of Home Affairs, External Communications
and National Development Unit
Minister of Finance and Economic Development
RISING TO THE CHALLENGE OF OUR AMBITIONS

INTRODUCTION

Madam Speaker,

1. I move that the Appropriation (2017-18) Bill be read a second time.

2. Madam Speaker, when this Government took office in December 2014, we made a pledge to shape a new destiny for our country and our population.

3. We said we would put the economy back on track, reduce the unemployment rate, take families out of absolute poverty and achieve development that is environmentally sustainable and more inclusive.

II. ECONOMIC ACHIEVEMENTS AND PROGRESS

4. Today, as we look at our economy at the dawn of our country’s 50th independence anniversary, I am pleased to report to the House that we are making good progress on our pledges.

5. The thrust of last year’s Budget has allowed us to build a strong framework for economic revival. It has propelled our economy to a higher growth rate of 3.9 per cent in 2016/17, compared to 3.2 per cent in the previous year.

6. We are expecting the growth rate to rise further to 4.1 per cent in 2017/18.

7. The unemployment rate has fallen to 7.3 per cent in 2016 and the inflation rate was one per cent in that same year.
8. The real growth rate of private investment, which has been negative since 2012, has picked up with a positive growth of 5.7 per cent in 2016.

9. But we should not rest on our laurels.

10. We have high ambitions for our country, as spelled out in Vision 2030.

11. Our aim is for Mauritius to be a high income country by 2023, with an income per capita of around USD 13,600 against the current level of USD 9,740.

12. Last year, in my Budget Speech, I spoke about my vision of a new era of development - a vision of a society without any families living in absolute poverty, where there will be a narrower gap between the rich and the poor, no gender bias, better opportunities for all, with modern infrastructure and a quality of life that will meet the standards reached by advanced countries. This Budget which I am presenting today reflects my deep resolve to lead our nation to realise these ambitions.

13. Indeed, Madam Speaker, Budget 2017/18 is about RISING TO THE CHALLENGE OF OUR AMBITIONS.

14. This Budget focuses on five central challenges.

   First, fostering higher growth for more and better jobs.

   Second, investing massively in the infrastructure of the future.

   Third, further improving the quality of life of our people.

   Fourth, ushering in a New Social Paradigm.

   And fifth, consolidating macro-economic fundamentals.
15. To succeed, we need to be clear on the path we have to follow.

16. I am, therefore, introducing a three-year rolling plan to support our medium-term and long-term objectives. This budget is cast within the context of the first Three-Year Strategic Plan 2017/18 to 2019/20, copies of which will be included among the budget documents.

17. We will also circulate an Annex as an integral part of the Budget Speech to provide greater details on measures, schemes and legislative amendments in the Budget.

18. Before elaborating on the policies and measures in the Budget, let me highlight that this year again, we are getting an exceptional financial support from the Government of India to implement several key development projects and programmes.

19. I am pleased to announce that the Government of India is offering a financial support envelope of USD 500 million, that is, around Rs 18 billion, through a line of credit. Another tranche of USD 130 million, that is, Rs 4.5 billion, which was approved in February 2012 is also available, thus adding up to a total of Rs 22.5 billion. This support from India is over and above the grant of Rs 12.7 billion that was given to us last year, making a total of Rs 35.2 billion.

20. The line of credit of USD 500 million, bearing an annual interest rate of 1.8 per cent, will be made available to the SBM (Mauritius) Infrastructure Development Company Ltd for investment in redeemable preference shares. These shares will be issued by public sector entities implementing infrastructure projects and will have a redemption period of 20 years, with an initial grace period of 7 years.
III. FOSTERING HIGHER GROWTH FOR MORE AND BETTER JOBS

21. I will now articulate our policies on the first challenge of this Budget, which is to foster higher growth for more and better jobs.

22. We need to imperatively strengthen institutional capacity to support our growth objectives. To that end, an Economic Development Board (EDB) will be established to ensure greater coherence and effectiveness in implementing our policies and actions. The EDB will have three main directorates.

- The first directorate will be responsible for national and sectoral economic development planning.

- The second directorate will be in charge of investment and export promotion. The various functions of the existing promotion organisations, namely, the BOI, Enterprise Mauritius, the Financial Services Promotion Agency and the Mauritius Africa Fund will be integrated in the Economic Development Board.

- And the third directorate will manage the e-licensing business platform. The EDB will thus be the main business licensing agency in Mauritius – no more office hopping to obtain a business license.

23. We are also setting up a National Economic and Social Council under my chairmanship to address key socio-economic issues and strengthen dialogue with the private sector and civil society. The Council will meet on a quarterly basis.
24. To boost up growth we will equally act on the demand side. Our embassies and consulates will channel more of their resources to export and investment-driven diplomacy in strategic markets.

25. As Africa offers great prospects for our export sector and cross-border investments, we are consolidating our diplomatic footprint in Africa.

26. Thus, a number of joint commissions will be held with countries such as Cote D’Ivoire, Ethiopia, Ghana, Kenya, Madagascar and Zambia. Our aim is to further enhance bilateral cooperation with these countries in various sectors, including trade, investment and capacity building.

27. This month, the first Special Economic Zone in Senegal will be inaugurated. Mauritius-Africa Fund is a partner in that venture. In fact, Phase 1 of the development of that Zone is completed and will give Mauritian companies access to warehouses and office spaces totalling 31,000 square meters on 13 hectares. Phase 2 of the development will be on 40 hectares.

28. As regards Ivory Coast, the Mauritius-Africa Fund has secured access to land, on preferential terms, in the “Zone Franche de la Biotechnologie et des Technologies de l’Information et de la Communication” for Mauritian enterprises to undertake development projects.

29. To facilitate the implementation of joint projects by Mauritian enterprises in Africa, the Mauritius-Africa Fund will establish a Business and Investment Platform for Africa (BIPA).

30. We will also pursue negotiations on Free Trade Agreements (FTA) with China and the European Free Trade Association.
31. And we will step up efforts to finalise the Comprehensive Economic Cooperation and Partnership Agreement (CECPA) with India.

**Building Innovative Mauritius**

32. I now turn to our plan to build Innovative Mauritius. This will be crucial to global competitiveness, higher value-added production and to creating better jobs.

33. As research and development is the bedrock of innovation, our plan is to put an unprecedented focus on encouraging research.

34. We are fundamentally reviewing and restructuring the Mauritius Research Council to transform it into the Mauritius Research and Innovation Council (MRIC). The Board of the MRIC will include wider representations of the private sector and relevant stakeholders.

35. It will manage a National Innovation and Research Fund to finance research in public and private institutions.

36. It will also set up a Mauritius Research Repository to which the public will have access.

37. And the Industrial Property Office will eventually be integrated in the MRIC.

38. Moreover, a Bio-Technology Institute will be set up under the aegis of the Ministry of Agro Industry and Food Security.

39. We will also promote academic research in all our universities. To that end, Government is injecting Rs 50 million in a Research Fund to be managed by the Tertiary Education Commission (TEC).
40. An Innovator Occupation Permit will be introduced for innovative start-ups with a minimum operational expenditure of 20 per cent for R&D purposes.

41. In the same vein, I am allowing accelerated depreciation of 50 per cent per annum, in respect of capital expenditure incurred on R&D.

42. Companies will be allowed to claim a double deduction in respect of qualifying expenditure on R&D. This will apply until income year 2021-2022.

**Investing in Skills Development**

43. Success in achieving higher growth and lower unemployment rates lies also in our capacity to adapt our workforce. The skills of our manpower must evolve with the new needs of our economy.

44. To this end, I am providing Rs 310 million for upgrading educational hardware and infrastructure in our training institutions, namely, the MITD training centres, the École Hotelière Sir Gaetan Duval, the Sir Ramparsad Neerunjun Training Centre and Le Chou Training Centre in Rodrigues.

45. We are providing funds for the refurbishment works at the University of Technology Mauritius and the Université des Mascareignes. Moreover, the University of Technology Mauritius is working on a project to construct a new campus.

46. And I am allocating an amount of Rs 130 million to finance the operating costs of our polytechnics. They will have a vital contribution to better connect the world of learning with the world of work, especially in the fields of tourism, ICT, nursing and paramedics.
47. This year 2,500 of our youths have benefitted from training coupled with industrial placement, under the National Skills Development Programme. During the coming financial year, another batch of 2,500 will be enrolled for training under this Programme to address the skills mismatch.

**Doing more to facilitate business**

48. Madam Speaker, we must have, at all times, an environment that is conducive and efficient for businesses to operate and to be globally competitive.

49. We have recently passed the Business Facilitation Act. Today, we are introducing more measures to improve the doing business environment.

50. We are significantly decreasing the cost for businesses to connect to the electricity network:

   Firstly, the cost of extension of high tension networks for commercial projects will be reduced by 50 per cent.

   Secondly, we are eliminating the processing fee for new applications in respect of all categories of customers, including domestic customers, but excluding parceling of land and Property Development Schemes projects.

51. Plan approvals from CEB, CWA or the WMA will not be required anymore when applying for a Building and Land Use Permit in zones which are well networked and serviced, as well as in morcellements.

52. To eliminate inefficiencies and duplications in the licensing processes, BOI will carry out a business process reengineering on more than 125 licenses and permits where some 14 Ministries are involved.
53. To further attract foreign investment, high tech machines and equipment brought by an investor from abroad will now be considered as part of the minimum investment of USD 100,000 required to obtain an Occupation Permit. This will be subject to complying with set criteria.

**Stimulating growth and employment in key productive sectors**

54. I will now elaborate our actions to boost investment, growth and job creation in the main sectors of our economy, starting with manufacturing.

55. First, I am introducing a major tax reform to encourage our domestic enterprises to expand their export capacity and seek new markets, especially the SMEs. Their profits from exports of goods will be taxed at the lower rate of 3 per cent, instead of 15 per cent.

56. Second, to encourage the development of new growth poles, we are introducing an 8-year income tax holiday for new companies engaged in the manufacturing of pharmaceutical products, medical devices and high tech products.

57. Third, to address the threats from Brexit, we established last year a Speed to Market Scheme for the textile and apparel exports on the European markets. I am extending that scheme to the export of jewellery, medical devices, fruits, flowers, vegetables and chilled fish.

58. Fourth, I am introducing the Innovation Box Regime for Intellectual Property assets which are developed in Mauritius. New companies involved in innovation-driven activities will benefit from a tax holiday of 8 years on the income derived from the totality of Intellectual Property Assets.
59. Fifth, as there is good potential for the production of medical devices, the existing Clinical Trials Act will be amended to allow for the testing of such devices.

60. Sixth, I am extending the 8-year work permit policy for expatriate workers in the export-oriented enterprises to all manufacturing activities.

61. Seventh, the issuance and renewal of work permits will be made within the reduced timeframe of 15 working days, instead of 40 working days.

62. Eighth, the Fashion and Design Institute will be reengineered to focus on training in areas where skills mismatch in fashion and design are most severe and will include training in jewellery. To this end, the jewellery centre will be transferred from the MITD to the Fashion and Design Institute.

63. Ninth, we are setting up two 3D Printing Service Centres at the National Computer Board to support manufacturing firms, university students and start-ups.

64. Tenth, Mauritas, which is currently established as a department under the Ministry of Industry, Commerce and Consumer Protection, will be given full autonomy to offer accreditation services locally. This should result in lower costs of accreditation for our exporters.

65. Eleventh, I am eliminating Registration Duty and Land Transfer Tax on any transfer of immovable property for the setting up of a business for high-tech manufacturing.
**Agro industry: adapting and modernizing**

**Sugarcane**

66. I now turn to the sugar cane industry. Our strategy is to ensure its long-term viability.

67. We need to address the issue of abandonment of cane lands. To that end, a provision of Rs 50 million is being made for bringing back under cane cultivation at least 500 hectares in fiscal year 2017/18.

68. I am providing for the introduction and adoption of drone technology in agriculture, starting with the sugar industry. This new technology will improve the assessment and monitoring of crop performance on large areas.

69. Government is working out a scheme to encourage the use of biomass such as cane trash and woodchips by the Independent Power Producers (IPPs) operating in the sugar industry.

70. Moreover, the registration duty payable on leases of agricultural lands of up to 10 hectares will be waived.

71. I am also providing VAT refund for the replacement of old lorries which are used for carrying harvested canes.

72. Moreover, financing facilities will be made available under LEMS for the replacement of such vehicles.

**Boosting growth and employment creation in non-sugar agriculture**

73. To boost productivity and employment creation in non-sugar agriculture, our strategy focuses on further diversification with an eye on the export market.
74. There is great potential for establishing Macadamia plantations in Mauritius as a new export niche and create new employment opportunities. I am therefore providing funds for importation of Macadamia seeds, setting up of nursery facilities and for foreign consultancy to advise and assist FAREI in the propagation of Macadamia trees.

75. We are coming up with a Food Processing Development Certificate to promote the importation of products such as maize, vanilla, cocoa, coconut and medicinal plants to be used as raw materials for processing and re-exports, including the refining of raw sugar.

**Encouraging the revival of tea export**

76. We also want to further encourage the revival of tea export.

77. The final price for green tea leaves supplied to tea manufacturers will be increased by 6 per cent as from the current crop 2016/17. This will enable the tea cultivators to share the benefits from increased sales of value-added tea.

78. I am pleased to announce that tea growers will be granted excise duty exemption on the purchase of a single/double space cabin vehicle.

79. And specified equipment and tools used in tea cultivation will benefit from VAT refund.

80. As regards the production of food crops, we are exempting the setting up of greenhouses for crop production on agricultural land from the need to obtain a Building & Land Use Permit.
81. Planters of food crops will be able to benefit from the SME scheme provided by MauBank and other commercial banks.

82. And the DBM will provide loans to assist planters whose crops are damaged by climatic conditions, pests and diseases.

83. To enable planters of food crops to better protect their fields from theft, I am providing for a subsidy on the cost of purchase of CCTV cameras with video surveillance system.

**Expanding livestock production**

84. I now turn to the livestock sector.

85. As there is a growing interest for the production of lamb meat, I am providing for the rehabilitation and upgrading of the farm buildings and associated infrastructure at the Government sheep farm at Salazie.

86. We have seen recently how animal diseases can decimate livestock with harsh implications for farmers’ income and their financial standing. To deal with the risks of diseases:

   - Government will come up with a comprehensive National Biosecurity Plan and a contingency plan for notifiable animal diseases.

   - And I am providing Rs 18 million for improving animal disease surveillance and establishing animal health laboratory facilities.
87. Moreover, the role and functions of the Division of Veterinary Services and the Mauritius Society for Animal Welfare will be reviewed to enable them to offer better and more proactive services.

88. The 24x7 Veterinary Services will be strengthened with recruitments of more vets to better respond promptly to the demands of breeders, especially at night.

89. I am also providing an initial amount of Rs 5 million to improve the pig waste treatment facility at St Martin.

**Lowering cost of production**

90. The cost of producing livestock has a direct bearing on the income of farmers as well as on consumer prices.

91. I am therefore increasing the subsidy on the price of concentrate feeds to Rs 10 million through the Livestock Feed Promotion Scheme.

92. And I am removing customs duty on all animal feed, except for poultry and pets.

**Helping out with the financing of production**

93. Financing production is another issue where our farmers need support.

94. Last year, I waived the 50 per cent of outstanding balances on loans granted by the DBM under the Pig Sector Restructuring Programme. For hardship cases, DBM will write off outstanding balances on their loans. For other cases, the loan repayment period will be extended for another year.
95. I am extending the same facility to all planters, other breeders including cattle breeders and to fishermen who have contracted start-up loans prior to 1st July 2012 under certain schemes.

96. Let me add here that I am including another 25 equipment in the list of equipment under the VAT refund scheme for planters, breeders, bee keepers, fishermen and bakers.

**Boosting Bio-farming**

97. To give a boost to bio-farming, I am providing for financing all costs associated with the registration, certification and audit for those holders of a Bio-farming Development Certificate who would wish to acquire the international organic label for their farm produce.

98. I am also providing for subsidy on the cost of bio-pesticides for registered growers.

**Ocean Economy: building a future pillar**

99. I now turn to the ocean economy which holds tremendous potential to boost exports and create good quality employment opportunities.

100. First, the validity of the fishing rights permit will be extended from one year to five years for fishing vessels flying the Mauritian flag, subject to all their catch being unloaded and processed in Mauritius. This should make it easier for them to access finance.

101. Second, I am making provision to upgrade and equip the Maison des Pêcheurs at Cap Malheureux, Tamarin and Mahebourg. Our aim is to provide the fishermen cooperatives with the facilities to transform their fish catch into value-added fish products.
102. Third, the scheme that we launched last year for fishermen cooperative societies to acquire semi-industrial vessels will be extended for another year.

103. Fourth, I am providing for grants to the fishermen cooperative societies for the acquisition of refrigeration vehicles.

104. Fifth, to promote coral farming by fishermen and SMEs, I am making provision for the setting up of sea-based coral farms for developing ornamental corals for the tourism sector, aquarium market and high-end jewellery manufacturing.

105. Sixth, appropriate amendments will be made to the Maritime Zone Act to cater for marina development.

106. Seventh, the Mauritius Shipping Corporation Ltd, in collaboration with the Royal Institution of Naval Architects, will set up a new Maritime Training Institute that will focus on training our youths for jobs on cruise ships and in the maritime sector.

Tourism: building on the regained growth momentum

107. I will now elaborate our measures to further strengthen the dynamism of our tourism industry.

108. First, the coming of KLM in Mauritius this year will further open up air access not only to the Netherlands but also to neighboring regions namely, Germany, Benelux countries, Scandinavian countries and Eastern Europe. This will further diversify our markets in Europe.
109. Second, the Asia-Africa air corridor initiative is now fully embedded in our air access policy. It has given positive results in terms of Asia connection. To maintain that dynamism and meet rising demand, Air Mauritius will operate an additional weekly flight to Singapore.

110. Third, concerning Africa connection, the MTPA will promote the twin destinations offer of Bush & Beach Tourism of Kenya and Mauritius.

111. Fourth, Government will give a voucher that will entitle a tourist to a Rs 200 discount on a minimum purchase of Rs 1,000 of Mauritian handicraft products. This should increase expenditure per tourist while at the same time giving a boost to Mauritian handicraft.

112. Fifth, to attract more Asian tourists, hotels will be allowed to host gaming machines within their premises, subject to access being restricted to non-residents and foreigners only and against payment of the appropriate license fee and betting tax.

113. Sixth, in the same spirit of attracting more visitors, a non-citizen acquiring a residential property for an amount below USD 500,000 will be entitled to a Multi-Entry Visa for a maximum of 180 days per year for a consecutive period of 5 years and renewable every 5 years depending on the status of ownership.

**Financial services**

114. I now turn to the financial services industry which holds good potential for growth and employment.

115. This industry is facing numerous challenges from the international community, not least from the OECD and the European Union.
116. At the same time, there are opportunities arising from the new global economic order which need to be tapped.

117. Our response will therefore be to consolidate the sector, gear up to face the emerging challenges and ensure that international norms, standards and compliance requirements are respected.

118. Our strategy is to take our global business sector to a new level, based on quality of product offerings rather than only on non-sustainable fiscal advantages.

119. I am therefore announcing that a blueprint will be elaborated by the Ministry of Financial Services, Good Governance and Institutional Reforms, in collaboration with the EDB, the Bank of Mauritius, the Financial Services Commission and all stakeholders in the financial services sector. This blueprint will focus on the vision for the sector over the next 10 years and will also take on board the forthcoming international requirements with regards to taxation without undermining the competitiveness of our jurisdiction.

120. We are also taking measures to further enhance the reputation of Mauritius as a jurisdiction of substance. Currently, a GBC1 company must fulfil at least one of six criteria established by the FSC to demonstrate substance. They will henceforth be required to fulfil at least two of the criteria – thus making the guidelines more stringent on the substance requirement.

121. Government is also amending the Companies Act 2001 to allow for Islamic Financial Institutions and Islamic Banks to adopt accounting standards issued by the Accounting and Auditing Organisation for Islamic Financial institution.
122. The Stock Exchange of Mauritius will engage with Euroclear to transform the local debt market and set up an international capital market which would attract Governments and Corporates from Africa and other regions to issue multi-currency bonds in Mauritius.

123. The legal obligations on Special Purpose Funds will be aligned with those of GBC1 companies.

124. We will also reform our tax regime for global business companies so that it evolves and meets the new international requirements.

125. Mauritius must also harness the benefits of the fintech revolution the more so that there is good potential for making of Mauritius a Fintech Hub for Africa.

126. In this respect, the EDB will engage with stakeholders to create a Regional Fintech Association. The Association will act as a think-tank, advise on necessary regulatory and business climate amendments and create network and tie-ups with international institutions such as Innovate Finance London and the Fintech Circle.

127. The FSC will set the rules for regulating the Fintech activities such as peer-to-peer lending and funding, as well as mobile wallet.

128. Furthermore, the minimum capital requirement of banks will be raised from Rs 200 million to Rs 400 million. Existing banks will be given two years to adjust their capital to the new level. The Banking Act will be amended accordingly.
Making further strides on our ambition of a fully-fledged digital economy

129. Madam Speaker, last year I spoke about our strategy to move towards a fully-fledged digital society. This year we will make further strides to realise this ambition.

130. Our strategy is to provide the right ecosystem for this sector to grow above 10% in the years ahead.

131. I am therefore introducing measures that will encompass all enablers to drive this transformation.

132. First, I am pleased to announce that in line with the Government’s strategy to boost the ICT and BPO sector, the prices of International Private Leased Circuits (IPLC) and Global Multiprotocol Label Switching (MPLS) services will be lowered by at least 15% as from 1st of July 2017.

133. Second, the Data Protection Act will be amended to comply with the new EU data protection regulation which will come in force in May 2018. This will encourage companies in the ICT sector to use Mauritius as a platform for their services.

134. Fourth, to enable the development of the right environment to nurture the growth of digital entrepreneurs, Government will build capacity in new technologies like robotics, Big Data and Internet of Things at the Réduit Polytechnic.

135. Fifth, I am providing for a cloud computing integrated platform to offer a ‘Mauritius ICT plug and play platform’ to attract digital nomads.

136. Sixth, Mauricloud will be created to offer a platform for issuance and verification of documents & certificates in a digital way.
137. Seventh, a Digital Youth Engagement Programme will be set up by the NCB to provide introductory courses on coding to youngsters.

138. Eighth, Government is setting up an Open Data Portal as a single point of reference for public datasets.

139. Ninth, as scarcity of skill remains a severe constraint on investment and growth in the ICT sector, I am announcing a new policy to encourage firms to allow their employees to work at home. The Employment legislation will be amended accordingly. This policy will attract more women into the labour force, reduce cost for the enterprises and raise productivity nationally.

Nurturing the creative industry

140. I will now speak about our policy actions to support artists by better integrating them in the mainstream of economic development. At the same time, we want to optimize the potential of the creative sector for economic growth, job creation and social inclusion.

141. My first measure is to set up a National Arts Fund to finance activities for performing as well as fine arts, such as for recording of music, concerts and sales and exhibition of art work, amongst others. An initial contribution of Rs 50 million will be made to that Fund.

142. Second, Government will invest in the setting up of a Médiathèque, which will serve as a repertoire of our folkloric songs, such as collections of Séga, Geet Gawai, Qawwali and Bhojpuri songs.

143. Third, an annual national award ceremony will be organised to give recognition to local artists who have made outstanding achievements.
Fourth, to encourage artists to share their work and talents on a national scale, they will be remunerated for their performances on the MBC television.

We are providing for the renovation of Plaza Theatre building. The project value is about Rs 300 million.

Moreover, the Town Hall of Curepipe will be refurbished at an estimated cost of Rs 110 million.

I am providing for the creation of a “Village des Artistes” at the site of Batterie de l’Harmonie at Les Salines, Rivière Noire.

The private sector will develop the Art Zone at the Granary to give local artists an outlet for marketing their work.

And land will be earmarked at Côte D’or City in Highlands for the construction of a ‘Palais des Arts et de la Culture’.

The film rebate scheme will be modified to promote local productions as well and will be extended to other activities such as production of TV serials and film dubbing.

And courses will be offered under the National Skills Development Programme to train local talent for the film production industry and other performing and fine arts.

**Supporting Micro, Small and Medium Enterprises and Cooperatives**

As we consolidate our various industries, we will also strengthen the SME sector and cooperatives. I am therefore announcing the following measures:
153. First, SMEs and cooperative societies will be given dedicated space in four new market fairs that will be built at Goodlands, Bel Air, Chemin Grenier and Mahebourg to market their products.

154. Second, an SME e-platform will be set up to provide more visibility to SME products.

155. Third, to further help SMEs and cooperatives improve the marketing of their manufacturing products, Government will contribute Rs 5,000 towards the costs of membership in the 'Made in Moris' label.

156. Fourth, an Export Financing Facility will be introduced to assist manufacturing enterprises in the SME and cooperative sectors. This will include, amongst others, loans at concessionary rates.

157. Fifth, the SME Venture Capital Fund which was established last year is now operational. It will provide equity financing in projects by local SMEs.

158. And Government will continue to guarantee the loans made to SMEs under the two financing schemes which are operated by commercial banks. Since 2015, banks have disbursed a total amount of Rs 3.2 billion under these schemes.

159. Sixth, DBM will provide finance to SMEs at the interest rate of 6 percent. In addition, the interest rate on its loans to micro enterprises is being brought down from 6 per cent to 3 percent.

160. Seventh, an amendment will be made to the Code Civil Mauricien and the Code de Commerce to allow the use of all movable assets as loan collaterals.
161. Eighth, CEB will implement a new scheme for solar PV for small commercial businesses. Under this scheme, the initial investment cost for the installation of a 2 kw solar PV will be financed by CEB. Fifty per cent of the investment will be paid back by the small enterprises over a period of 24 months through a net metering scheme. Thus, the enterprise will have the benefits of consuming electricity free of charge and exporting any surplus electricity generated to the CEB grid.

162. Ninth, Government will relax the criteria and speed up the processes for SMEs and cooperatives to employ foreign labour.

163. Tenth, Government is providing Rs 100 million over the next three years for the implementation of the 10-Year Master Plan for the SME Sector.

164. Eleventh, we need a fundamental institutional reform to better support the SMEs and as recommended in the 10-year Master Plan for the SME Sector, ‘SME Mauritius’ will be set up to replace SMEDA.

IV. INVESTING MASSIVELY IN THE INFRASTRUCTURE OF THE FUTURE

165. Let me now turn to the second challenge that this Budget addresses - Investing massively in the infrastructure of the future.

166. Last year, I announced the Metro Express Project. It is underway and work on the site will start in September this year. The project will be fully financed with the financial support from the Government of India.

167. To expand our transport network we will also be investing some Rs 4.9 billion over the next three years in various projects.
First, the construction of both the Jumbo-Phoenix round-about and the A1M1 Bridge will start in October this year;

Second, a new road will be built that will connect La Vigie and La Brasserie so as to relieve traffic congestion in the Curepipe region. This road will eventually be connected to Beaux Songes, thereby providing a direct link between the south and west; and

Third, a second fly-over to connect directly the M1 to the Terre Rouge Verdun motorway. This will significantly improve traffic fluidity in and out of Ébène.

168. I will now elaborate on another major project that will redefine and modernise our physical landscape. This is the Côte D’or City at Highlands.

169. This project will be implemented in phases and will include a state-of-the-art sports complex that will also host the Jeux des Îles de L’Océan Indien 2019. The on-site infrastructure works are due to start in October 2017.

170. The first phase will also comprise the construction of two administrative towers for government offices which will be financed from the financial support of the Government of India, for an amount of Rs 3.6 billion.

171. Phase 2 of the project will be developed on 250 arpents of land and will include commercial, business and residential spaces, as well as leisure facilities.

172. An Urban and Rural Regeneration Master Plan will be prepared and one of the first projects will be the upgrading of the Ébène Cybercity into a mixed-use town model of multimodal streets, walkable blocs, various distinct types of buildings and dedicated public spaces.
With regards to Smart City projects, construction works have already started on the Mon Trésor Smart City, Mauritius Jinfei Economic Trade and Cooperation Zone, Moka Smart City and Médine Smart City. Taken together, a total of Rs 2.6 billion will be invested by the end of 2017.

**Transforming the Port**

Let me now speak about the port which is making good progress in its transition to becoming a regional maritime hub, with investment of some Rs 3 billion this year and a further Rs 1.6 billion in the coming financial year.

The extended Mauritius Container Terminal berth will be fully operational by October 2017, with an increased capacity to handle up to 750,000 TEUs. The objective is to further increase the capacity to 1.5 million TEUs by 2030 through the Island Terminal project.

Moreover, the MPA has finalised its Port Master Plan and will be preparing a Master Plan for the development of a quay for leisure crafts and fishing boats at Vieux Grand Port.

The MPA is also proceeding with the construction of a second breakwater. Works are planned to start in early 2018 and to be completed by mid-2019.

And it will invest around half a billion rupees in a new Passenger Terminal Building at Les Salines to accommodate both Cruise and inter-island passenger traffic.

As we consolidate the competitiveness of the Port, we are also unlocking the growth potential at Riche Terre. The Riche Terre Business and Industrial Park should attract some Rs 4.4 billion of investments over the next three years.
Expanding capacity at the airport

180. As regards the airport, due to more rapid growth in passenger and aircraft movement traffic, its master plan will be reviewed to bring forward the construction of a second passenger terminal.

181. In the same vein, the Old Passenger Terminal will be renovated and refurbished.

Making greater use of local sources of renewable energy

182. As we modernise our country, we must also invest in the production of clean and renewable energy.

183. First, a 2 MW solar PV farm will be set up by CEB (Green) Co Ltd at Henrietta by March 2018, followed by an investment in an additional 13 MW capacity by the end of 2018.

184. Second, CEB will, over the next two years, invest in battery storage of 8 MW.

185. Third, some Rs 700 million will be invested in the ‘Solar Home Project’ comprising the installation of 10,000 roof top solar panels over the next 5 years for low income households in the social tariff category.

186. Fourth, solar panels of 1 kw will be installed on rooftops of another 3,000 low cost houses to be constructed by the NHDC.

187. Fifth, the CEB will extend the Small Scale Distributed Generation scheme to a further 1,000 households.

188. Sixth, businesses will be able to deduct the investment in solar energy units from their taxable income.
189. Seventh, all interest income from debentures issued to finance renewable energy projects and which are approved by the MRA will be exempted from tax.

190. Eighth, to improve efficiency in energy consumption the importation of incandescent lamps of 75 watts and above will be prohibited.

191. This budget also provides for the staffing and operationalization of the Utility Regulatory Authority.

V. FURTHER IMPROVING THE QUALITY OF LIFE OF OUR PEOPLE

192. I now turn to the third challenge of this Budget, which is about further improving the quality of life of our people.

193. It is something that I take at heart for there is much to be done.

194. Our first priority is the water sector.

195. This Government has made a pledge that water will be made available to all households on a round-the-clock basis. Our aim is to fulfil this promise by the end of 2019 at latest.

196. Our strategy is two-fold:

- In the short term we will focus on improving water distribution.

- In the medium term our emphasis will be on expanding reservoir capacity and replacing old pipes.

197. Let me now spell out our actions for the short-term.
198. First, CWA will invest some Rs 210 million in the installation of steel tanks of 2,000 cubic meters in 21 water distressed regions.

199. Second, Rs 135 million will be invested in 15 mobile plants to treat water affected by mud during heavy rainfalls.

200. Third, duplicate boreholes will be drilled on 13 sites around the country to avoid interruptions in the water supply caused by breakdown in the use of boreholes.

201. Fourth, solar powered borehole pumps will also be installed on 12 sites to improve efficiency.

202. Fifth, I am extending the water tank scheme for another year and raising the income eligibility ceiling for the grant under this scheme from Rs 15,000 to Rs 25,000.

203. Sixth, to encourage water savings culture at schools, I am providing for the installation of rain water harvesting systems in 14 primary schools.

204. In the medium term, our plan is to expand the capacity of existing reservoirs, build new ones and complete the replacement of old pipes.

205. Therefore, our seventh measure for the water sector is to provide Rs 598 million for the installation of a water treatment plant to make the Bagatelle Dam fully operational.

206. Eighth, the capacity of La Nicolière Water Treatment plant is being upgraded to increase the supply of potable water to the northern region.
207. Ninth, I am providing for consultancy services for a feasibility study on the construction of the Rivière des Anguilles dam. Our objective is to add another 50 million cubic meters to our water supply capacity in the regions of south and south west by 2022.

208. Tenth, this Budget provides Rs 2.3 billion for the replacement of 264 kilometres of pipes.

209. And eleventh, Rs 400 million will be invested to improve the efficiency of 150 stations that pump water into service reservoirs.

210. In recent years, due to climatic change, the occurrences of flooding have become more frequent – creating miseries for thousands of families across our country.

211. To address this problem, we will invest, over the next three years, some Rs 1.3 billion in the construction, upgrading and cleaning of drains.

212. In this Budget, I am providing for drain projects at Péreybère, Fond du Sac, Flacq, St Pierre, Clémencia, Camp Carol, Grand Bois, Bel Ombre and a number of other high risks areas across the island.

213. The upcoming Land Drainage Authority will prepare a flood risk map and a National Land Drainage Plan to effectively address flooding problems.

**Investing in waste management**

214. We will also be investing some Rs 3.8 billion in wastewater management over the next three years.
215. For the next financial year, we are providing for projects at Grand Baie, Pailles, Highlands and for rehabilitation of wastewater networks at Cité Atlee, Cité Paul et Virginie, Cité Vallée des Prêtres, Cité Palmerstone, Cité La Cure, Cité Malherbes, Tranquebar and Pointe aux Sables.

216. And we will encourage production of compost from organic waste. To this end, an additional 10,000 compost bins will be distributed to the population.

217. Let me now turn to our national “Moris nou zoli péi” campaign.

218. In the same endeavour to foster a clean and green Mauritius for all, we will invest in the up-hauling of public beaches for greater cleanliness as well as safety and convenience for the public. This will include:

   a) Upgrading the infrastructure facilities of the Beach Authority at Péreybere, Belle Mare, Blue Bay and Flic en Flac;

   b) enhancing amenities at several public beaches around the island and at Flic en Flac, Mon Choisy and Belle Mare;

   c) major coastal and beach rehabilitation works at Providence, Grand Baie, Baie du Tombeau, Cité La Chaux;

   d) coastal adaptation projects at Mon Choisy and Rivière des Galets; and

   e) a refuge center at Quatre Sœurs.

219. Moreover, I am providing funds to support renovation works and embellishment of our places of worship.
220. Socio cultural organisations as well will get support for extension and renovation of their buildings. This will be done through a special loan scheme from the DBM.

221. And Trade Union Confederations will be exempted from customs duty on the purchase of a 15-seater motor vehicle.

**Sports and leisure**

222. I now come to sports and leisure.

223. They are important sources of recreation. They can make a significant contribution to maintain health and physical fitness, encourage team spirit and can also provide an important diversion from the stress of daily life.

224. Moreover, it can help to reduce crime, promote social inclusion and help with the development of young people at school.

225. We must therefore get more people, young and old, men and women to practice sports and engage in physical activity.

226. Government is coming up with a National Sports Policy. Rs 25 million will be earmarked to fund the implementation of that policy as follows:

- Rs 5 million will be allocated to the preparation of the National Sports Policy which will be done through wide consultations involving public and private stakeholders.
• The remaining Rs 20 million will be used for the following targeted programmes:

  o Keeping vulnerable youths away from the many ills of society, such as drugs;

  o encouraging greater participation of young adolescent girls in sports activities;

  o promoting exercise at the workplace;

  o creating structured programs in sports for school age children after school hours;

  o promoting healthy ageing;

  o sensitizing our youth to the benefits of sports; and

  o capacity building

227. We are also providing for the upgrading of 15 of our major sporting infrastructures.

228. With the coming of the Jeux des Îles in two years, I am providing Rs 18 million to ensure our athletes benefit from the best preparation to maximize our chances of seeing the National flag fly high during the games.

229. We must also give due recognition to all those great men and women who at some point in their lives have made our nation proud. I am therefore pleased to announce the setting up of a Hall of Fame and an allowance scheme for retired athletes who have recorded performances at senior level at African and international games and championships. The monthly allowances will range from Rs 3,000 to Rs 10,000.
230. Government will provide the means to further expand the activities of Volunteer Mauritius which is under the aegis of the Ministry of Youth and Sports. Our aim is to give more of our young people the opportunity to acquire life skills while putting their energy, passion and creativity to help our society deal with pressing issues.

**Health care**

231. The importance of health to improving the quality of life cannot be underestimated.

232. I am allocating Rs 11.6 billion to the Ministry of Health and Quality of Life.

233. To increase human resources in our hospitals, we are providing for the recruitment of 624 personnel, including specialists in various fields, student nurses and general staff.

234. Government is also investing to expand hospital infrastructure and health care facilities. This includes:

- two linear accelerators for the treatment of cancer patients at Victoria hospital and the New Cancer Hospital and other high tech equipment;

- Three new Mediclinics at Quartier Militaire, Bel Air and Stanley;

- Two new Community Health Centres at St Francois Xavier and L’Espérance;

- upgrading the Yves Cantin Community Hospital in Black River;
• consultancy work on the setting up of a state-of-the-art Neurosurgery Unit at Dr Jeetoo Hospital;

• construction of a modern Warehouse Facility for pharmaceutical drugs and medical consumables;

• 5 new SAMU ambulances; and

• an increase of 20 per cent in the provision for the acquisition of medicine, drugs and vaccines bringing the total amount to around Rs 1 billion.

235. To promote the development of private health care, a Visitor Medical Visa upon arrival will be introduced for foreign patients.

236. We will also continue our fight against excessive consumption of alcohol and cigarettes. I am increasing the rates of excise duty as follows:

• By 5 per cent for beer and other alcoholic products

• By 10 per cent for tobacco products

Facilitating the day to day life of our citizens

237. I now come to issues which are crucial to the well-being of people. I am speaking about problems and issues that create unnecessary inconveniences in the day to day life of our citizens across the country.

238. To address these issues, we will come forward with a People Facilitation Bill. The main objectives of that legislation will be to spare our population the hassles of office-hopping to get public services, reduce costs and queuing time and enable them to use fully their rights.
239. To help prepare the legislation in a democratic way, our citizens will be able to use the Citizen Portal to submit their views and suggestions on how best to improve their daily lives.

*Improving basic infrastructure all over the Island*

240. Many public facilities established in different locations across Mauritius in the 1980s to improve the living conditions of the people are in a deplorable state.

241. There is a strong need for concrete and prompt actions to address this problem. The backlog must be urgently addressed.

242. In this budget, I am taking a series of bold measures to address the infrastructural issues at regional, local and national level all over the island with the objective to clear the outstanding projects to the maximum extent possible.

243. First, at the regional level. I am providing an envelope of Rs 1 billion and 85 million for 2017/18 to the National Development Unit. The projects of NDU, include the following:

   i. Construction of drains at Pointe aux Sables, Vallée Pitot, Bramsthan, Sebastopol, Alma, Trois Boutiques, Bel Ombre and Rodrigues.

   ii. Upgrading of bridges at Congomah, Olivia and Rivière du Poste.

   iii. Reconstruction of the bridge at Hollyrood, Vacoas.
iv. Upgrading and widening of Avenue Berthaud at Quatre Bornes.

244. Second, at the local level. I am providing an exceptional capital grant of Rs 500 million to local authorities so that all councils can address long outstanding minor infrastructural works in their localities. Thus, each local authority, under an approved implementation plan, will use the special grant to execute the projects, including:

- Resurfacing of existing internal road networks;
- Construction of new roads;
- Construction of drains in local areas and maintenance of existing drain networks;
- Energy efficient street lighting;
- Upgrading of existing and setting up of new children playgrounds;
- Setting up of recreational parks such as green spaces;
- And construction and rehabilitation of basic sports infrastructure.

245. At the national level. I am allocating a budget of Rs 3.3 billion from the Indian funding to partly finance all the major and medium projects comprising the following:

- First, three new traffic centres at Piton, Ébène and Pointe aux Sables;
- Second, rehabilitation of the Ste Marie bridge at Savanne, the Joli Bois Bridge at Mare Tabac, the
Choisy Bridge at Poste Lafayette and the upgrading of Radier St Martin at Bel Ombre;

- Third, construction of bridges at Richelieu and Cité La Cure;

- Fourth, upgrading of 10 Community Health Centres;

- Fifth, development of a New Health Care Centre at Coromandel;

- Sixth, three administrative headquarters for the Councils of Flacq, Pamplemousses and Savanne;

- Seventh, multi-purpose complexes at Plaine Verte and Rivière du Rempart;

- Eighth, multi-sports complex at Port Louis and Triolet;

- Ninth, a swimming pool at Curepipe;

- Tenth, a new leisure park at Quartier Militaire;

- Eleventh, renovation works in 8 police stations around the country;

- Twelfth, acquisition of 20 fire and rescue vehicles;

- Thirteenth, two high volume water pumps to be used in emergencies caused by flash floods and major outbreaks of fire;

- Fourteenth, installing incinerators at Camp Le Vieux, Mahebourg, Highlands, Allée Brillant,
Soulliac, Montagne Longue and Quatre Bornes; and

- Fifteenth, development of a waterfront at Deux Frères.

**Tackling law and order**

246. Let me now turn to law and order.

247. I am providing Rs 8.4 billion to the Police Department as follows:

   i. For the recruitment of 583 additional Police Constables and the procurement of equipment including Security Equipment;

   ii. Acquisition of 18 Light Armoured Personnel Carriers, 12 for the Special Mobile Force (SMF) and 6 for the Special Support Unit (SSU) to reinforce our capability in emergency and disaster situations;

   iii. Reinforcing Police Patrols all over the Island, especially in crime prone areas;

   iv. Consolidating and intensifying the Community Policing Programme together with all the Social Welfare Centres and Community Centres and all the stakeholders concerned;

   v. More technological support in the combat against crimes and juvenile delinquency; and

   vi. Implementing the Police Training Academy at Côte d’or City.
248. Furthermore, we are coming up with an Integrated Development Project for the National Coast Guard (NCG), the Trident Project with a project value of Rs 2.9 billion. It will comprise the construction of a modern headquarters at Fort William, repair facilities for the NCG vessels and a slipway facility.

249. To further combat crime, we are scaling up the pilot Safe City Project which was launched last year into a fully-fledged project. The main feature of that project is the installation of Intelligence and Traffic Surveillance cameras in major public areas. I am providing an amount of Rs 440 million for 2017/18 to implement this project.

250. The Brigade Des Mineurs will be reinforced and will be active in regions where related cases have been detected involving juveniles.

**Judiciary**

251. I now turn to the judiciary.

252. The design of the Supreme Court Tower will be ready by the end of this month and construction should start by the end of this year.

253. I am earmarking Rs 15 million for a modern computerised system to better monitor payment of fines and other court fees and keep track of the progress of cases. Thus, fines and fees will be paid at any district court and even online.

**Ensuring consumer well-being**

254. Consumer well-being is another priority of Government as it is a central component of quality of life:

- Last year, we reduced the price of LPG (12 kg) from Rs 330 to Rs 270. This year, we are further
improving the purchasing power of consumers. The retail price of flour will be reduced from Rs 5.85 to Rs 4.85 per half kilogram, that is, by 17 percent, as from tomorrow.

- Consequently, the price of bread and other flour-based products should also go down. The price of a 100 gram “pain maison” will go down by 10 cents per unit.

255. To better protect the victims of sale by levy, we are amending the legislation to ensure that the ‘mise à prix’ should be at least 50 per cent of the value of the immoveable property being put for sale.

256. And I am removing VAT on sanitary pads.

*Investing in education*

257. I now turn to our policies for the education sector.

258. Our world is changing and in order to prepare our children, our education system must evolve and improve.

259. Last year, we announced the nine-year schooling. This year, it is being implemented. And we will see positive results.

260. Moreover, our children deserve to evolve in a safe, clean and green environment. The campaign for a cleaner Mauritius will also be extended to schools.

261. I am providing Rs 590 million for construction, extension and upgrading of infrastructure in public primary and secondary schools.

262. I am making provision for equipping 125 private pre-primary schools in disadvantaged regions, with the
necessary pedagogical tools and materials to upgrade the quality of their teaching and learning environment.

263. The infrastructure in four secondary schools will be adapted to make them more accessible for physically challenged students as well as personnel and visitors.

264. We are also increasing the teaching staff.

- By an additional 308 Trainee Educators to increase teaching capacity and quality in our primary schools. Of those new recruits 158 will be educators in holistic education;

- An additional 184 Support Teachers to provide special help to students with learning difficulties;

- And an additional 250 educators in our secondary schools, of whom 75 will be recruited to teach new subjects such as Travel and Tourism and enterprise education.

265. In January this year, I launched the programme “Natation Scolaire” for 30 schools and I was alarmed to find out that out of 1000 grade 4 children, only 25 could swim in deep water. I am therefore providing for the construction of 4 ‘bassins d’apprentissage’ to reach out to more students.

266. I now come to living allowances under the Mauritius Scholarship Scheme. I am providing for an increase of Rs 20 million in the budget to implement the recommendations of the Standing Committee on the review of the living allowances.

267. I am also increasing the yearly allowance for laureates pursuing post graduate studies locally by 10 percent.
268. And the yearly living allowance for Additional Laureates studying abroad will be increased by 20 percent.

269. Children with special education needs should also get the help that addresses their individual differences and needs in an effective way. To this end, I am increasing the grant-in-aid to the NGOs running Special Education Needs schools to Rs 110 million.

270. Moreover, a new Strategy Paper for the Special Education Needs will be developed and an authority will be set up to harmonise and promote policies for that sector.

271. As regards ZEP schools, last year, a pilot project was introduced, under the Marshall Plan Against Poverty, for community schools where academic teaching and community engagement are integrated to lead to improved learning. This year, we are extending this project to 5 additional schools.

VI. USHERING IN A NEW SOCIAL PARADIGM

272. I now come to the fourth challenge which is about ushering in a new social paradigm.

273. Last year, I introduced a historic measure to combat absolute poverty. I am pleased to report that more than 8,000 families are now benefitting from subsistence allowance that was introduced in last year's budget under the Marshall Plan Against Poverty.

274. But our determination does not end here.

275. This Budget makes a leap forward.

276. In the last decade, we have seen a widening of the income gap between the rich and the poor as measured by the Gini coefficient.
277. Too many of our workers who at the lower rung of the income ladder are finding it difficult and indeed impossible to make ends meet and to provide for the needs of their family and children.

278. Madam Speaker, as a responsible and compassionate government we cannot let that situation persist. It goes beyond our values as a nation and is a stain on social justice that must be erased.

279. I am therefore announcing today another historic measure to combat poverty and reduce inequality.

**Negative Income Tax**

280. I am introducing the negative income tax system to provide financial support to some 150,000 employees in full time employment and earning emoluments less than Rs 10,000 per month. This measure will provide financial support of up to Rs 1,000 per month to low-income employees.

281. This policy will take effect as from 1st January 2018 and will cost about Rs 1.3 billion.

282. The support will be paid on a semi-annual basis. Thus, the first payment will be paid by the MRA for the 6 months from January to June 2018 by 30th August 2018.

283. The benefit will only be paid if:

- The employer and employee have made the required contributions to the National Pensions Fund and the National Savings Fund; and

- the total income including exempt income of a couple does not exceed Rs 30,000 in a month;
Solidarity Levy

284. To further reduce inequality, I am introducing a solidarity levy on high income earners. Individuals having chargeable income plus dividends in excess of Rs 3.5 million will be required to pay 5 per cent of the excess.

Increase in Income Exemption Threshold

285. Individuals having more than one dependent are penalized with the current income exemption thresholds. I am reversing this situation. The income exemption thresholds are being increased as follows:

- Rs 5,000 for tax payers having no dependent or one dependent;
- Rs 10,000 for those having 2 dependents; and
- Rs 15,000 for those having 3 dependents.

286. Moreover, I am introducing a new category of income exemption threshold for persons having 4 or more dependents. They will be entitled to an increase of Rs 45,000 in their income exemption threshold bringing it to Rs 550,000.

Relief for medical insurance premiums

287. I am also raising the maximum allowable deduction for medical insurance premiums for income tax purposes, as follows:

(i) From Rs 12,000 to Rs 15,000 in respect of the tax payer;

(ii) From Rs 12,000 to Rs 15,000 in respect of the first dependent; and
(iii) From Rs 6,000 to Rs 10,000 for each of two additional dependents.

**Deduction for household employees**

288. I am also introducing a new deduction for taxpayers who employ household workers. A person will be allowed to deduct the wages paid to household employees from his annual taxable income subject to a maximum deduction of Rs 30,000.

289. My next measure is to correct an injustice. Presently, beneficiaries of industrial injury and survivor’s pension cannot obtain any Basic Pension. I am allowing for these persons to be entitled to basic pensions as well.

290. Furthermore, the financial assistance provided under the National Pensions Act to disabled persons such as the basic invalidity pension, carer’s allowance and contributory invalidity pension is being exempted from income tax.

**Simplifying CSR and giving NGOs greater access to funding**

291. I now turn to the issue of CSR. Based on what was decided last year, companies are supposed to contribute 50 per cent of their CSR contributions to the MRA in the first year and 75 per cent in the second year. To give more time to the companies to adapt to the new system, I am allowing companies to keep 50 per cent of their CSR contributions to implement their own CSR projects for another year.

292. The other 50 per cent will have to be remitted to the MRA for the National CSR Foundation.
Pursuing Poverty Eradication

293. Let me now spell out further actions to combat poverty.

294. Much of the poverty problem in our country and even social ills are rooted in inadequate and poor housing conditions.

295. We are therefore starting an unprecedented thrust to resolving the housing problems for thousands of poor and low income families, while at the same time supporting middle class families as they invest to build their residences.

296. I am allocating Rs 1.8 billion from the Government of India’s financial support to the construction of social and low income housing units.

297. In addition, Government is earmarking Rs 5 billion for the next three years to the housing sector from the Budget.

298. These add up to a total of Rs 6.8 billion.

299. We are also investing to improve living conditions in the 41 NHDC housing estates in Baie du Tombeau, Poste de Flacq, Camp Levieux, Dagotière and Cap Malheureux.

300. And provision is made for the relocation of squatters at La Ferme in the context of the rehabilitation of the reservoir as well as for the urgent relocation to Camp Ithier of 11 families of Quatre Soeurs affected by severe landslide.

301. I will now address an issue that concerns mostly middle class families who are facing difficulties to finance the construction or purchase of a house. Currently, commercial banks grant credit facilities up to 90 per cent of residential property for loans of less than Rs 5 million.
During the pre-budget consultations, we have received proposals to remove the limit of 90 per cent, especially for first time buyers. We have discussed the matter with the Bank of Mauritius and they have agreed to consider favourably removing the limit.

302. I will now announce a measure that speaks of this Government’s caring and compassionate approach in supporting our elderly. Indeed, we are devoting Rs 50 million in this Budget to set up two homes that will accommodate low income elderly residents who are living alone. The homes will be equipped with all necessary facilities, amenities, safety, security and a harmonious environment where they can live an active and healthy life.

303. Government will put in the initial capital, while the operations and management of the homes will be executed by NGOs.

*Eradicating the scourge of drug trafficking*

304. Another crucial challenge of social policy is the urgent imperative to protect our citizens from drug trafficking and the collateral damage that it brings with it.

305. I have on many occasions spoken about my unflinching resolve to put a stop to drug trafficking in our country.

306. We have been taking strong actions in recent months and we are all seeing the results. The number of seizures of drugs and drug money – the number of arrests of drug traffickers – and the significant inroads we have made to break their network speak of the success of our efforts.

307. Drug traffickers have no concern for the damage they inflict on children, on our youths and families. We, on the other hand, have values to uphold and a duty to preserve social cohesion and the well-being of our citizens.
308. We will therefore continue relentlessly our fight against the drug scourge - we will fight it on all fronts - for it is a war that we must win and that we will win.

309. I am providing Rs 100 million to equip the MRA customs with modern and sophisticated tools to detect drugs entering our country through the seaport and airport. MRA will procure scanners, interceptor boats, sniffer dogs, drones as well CCTV cameras.

310. Government, with the assistance of the United Nations Office on Drug and Crime is coming up with a National Drug Control Master plan for Mauritius.

311. To further improve the capability and the response of the Anti-Drug Smuggling Unit (ADSU) in combating drugs, I am doubling the provision for the acquisition of vehicles and equipment for ADSU. Furthermore, manpower at ADSU will be increased from 400 to 450.

312. An alarming amount of drugs permeate prisons in Mauritius. Cutting this supply is a crucial part of helping to maintain order and safety and ensuring prisons rehabilitate offenders. I am therefore providing for the acquisition of two body scanners for the Melrose and Beau Bassin Prisons and for the recruitment of 35 Prison officers.

313. There is also a growing connection between drug trafficking and illegal gambling that must be stopped. The Gambling Regulatory Authority Act will be amended to ban cash betting transactions above Rs 2,000; to introduce an account based betting together with a player card program/system; and to make it mandatory for licensees/operators earning Rs 10 million or above, to report and file suspicious transactions to the Authorities.
Supporting victims of domestic violence

314. Domestic violence is another social ill that we must root out of our society. Most of the victims are women and children.

315. We need to strengthen capacity to deal with this serious problem.

316. I am therefore providing for the recruitment of an additional 7 Family Welfare and Protection Officers and 6 more Enforcement Officers at the Ministry of Gender Equality.

317. Government is coming up with a Children’s Bill that will give effect to the Convention on the Rights of the Child and providing the framework for better protection and care to children.

VII. PUBLIC SECTOR REFORMS

318. Let me now turn to public sector reforms.

319. Last year, I outlined a major public sector reform programme under Strategy 9 of the Budget Speech. I am pleased to report that several of the reforms have already been initiated, including:

   (i) The merger of BPML, SPDC and SLDC into one single institution, namely the Landscape (Mauritius) Ltd;

   (ii) The NDU and the 35 Citizens Advice Bureaus are being reorganised with the on-line Citizens Support Portal;

   (iii) MRA is making arrangements to be the collecting agent for levies and other contributions on behalf of several institutions;
(iv) Public sector bodies, including DBM, that have been loss-making under the previous regime have submitted their turn-round plans and they are currently being implemented;

(v) Concerning the integration of the Registrar General Department with the MRA, we have, at the request of the Trade Unions, given one year for the Department to improve the collection of arrears;

(vi) A Broadcasting and Communications Authority Bill is being finalised to merge the Independent Broadcasting Authority and the Information and Communication Technology Authority;

(vii) Concerning the transformation of the Department of Civil Aviation into a Civil Aviation Authority, tender exercise has been completed and a consultant will be appointed soon;

(viii) Ministries have already been empowered to recruit directly consultants and contractors for projects of up to Rs 25 million;

(ix) The Planning and Development Bill will be introduced to replace the Town and Country Planning Board by a modern Planning Commission.

320. I have just spoken about the setting up of the Economic Development Board, SME Mauritius and the fundamental restructuring of the Mauritius Research Council. These reforms show our determination to continue strengthening institutional capacity in the public sector.

321. I will now announce yet another institutional reform. Government is establishing the Mauritius National Investment Authority to invest, locally and globally, the
surplus funds of the NPF and NSF which amount to some Rs 130 billion. This should allow for a greater diversification of the investment portfolio while at the same time improving the prospects for higher return. This new Investment Authority will also invest the funds of other public sector bodies.

322. To ensure judicious use of taxpayers’ money, the Public Procurement Act will be amended to allow a Public Body, in a bidding exercise, to exclude bidders whose performance in previous public contract has shown deficiencies.

VIII. RODRIGUES AND OUTER ISLANDS

323. I will now spell out our policy measures for Rodrigues and outer islands.

324. I am allocating some Rs 4.4 billion to Rodrigues, of which some Rs 3.4 billion in the budget of the Rodrigues Regional Assembly and around Rs 1 billion in the budgets of Ministries and Departments for meeting expenditure related to Rodrigues.

325. Tomorrow will be the closing date for the tender for the undersea fibre optic project.

326. I am also extending the Bus Modernisation Scheme to Rodrigues for the renewal of conventional buses.

327. 200 kw of solar PV panels will be installed at Grenade.

328. Rs 10 million are earmarked for preparation of detailed design, tender documents and EIA report for the new quay and port facilities, including infrastructure for berthing yachts as proposed in the Rodrigues Port Master Plan.
**Agalega**

329. Agalega has been experiencing major deficiencies in terms of sea and air infrastructure which have caused enormous inconveniences to the inhabitants and have also blocked its development potential.

330. My Government has taken a historic decision to come up with a major development programme for this island.

331. Thus, thanks to the financial assistance from India, a new runway as well as a jetty will be constructed.

332. Furthermore, some 10 Megabits per second satellite bandwidth capacity will be made available shortly in Agalega.

**Chagos**

333. Madam Speaker, I want our citizens from Chagos to know that Government will continue to be on their side and to work with them to have our sovereignty over Chagos fully recognised.

334. Let me highlight here that this year, I am increasing the grant to the Chagossian Welfare Fund Board by 50 per cent to Rs 9 million to cater for renovation works at the community centres and also to enable more welfare activities to be organised for the Chagossian Community.

IX. **BUILDING MORE RESILIENT MACRO-ECONOMIC FUNDAMENTALS**

335. I now turn to the fifth priority of this budget which is about building more resilient macro-economic fundamentals.
336. Our fiscal policy is formulated on the conviction that a government should not promise more than it can deliver nor should it spend more than what the country can afford.

337. Let me start with measures to improve transparency in public finance management and our fiscal strategy.

338. Firstly, all revenues and expenses of the Build Mauritius Fund and the National Resilience Fund will be consolidated in the National Budget.

339. Secondly, we will amend the Public Debt Management Act to establish the gross debt rather than the net debt as the public sector debt ceiling. This will improve transparency and will be closer to the IMF definition.

340. And a key feature of our fiscal strategy going forward will be to put the gross debt to GDP ratio on a downward path.

341. In fact, we are expecting our gross public sector debt to GDP ratio to decline to 63 per cent at end June 2018, from 66.1 per cent at June 2017. Our aim is to maintain that declining trend and to bring the ratio to below 60 percent.

342. I now come to the budget outturn for the year 2016/17.

343. The Budget deficit for 2016/17 would reach 3.5 per cent of GDP.

344. This will be due to total expenditure of Rs 110.6 billion against a budgeted figure of Rs 117.4 billion.

345. On the other hand, total revenue is estimated at Rs 94.7 billion compared to a budgeted figure of Rs 102.4 billion.

346. As regards the budget outlook for 2017/18, total expenditure will amount to Rs 127.7 billion, of which Rs 108.9 billion for recurrent expenditure.
347. Capital expenditure will amount to Rs 18.8 billion, including Rs 3.1 billion from the Build Mauritius Fund.

348. Total revenue will increase to Rs 112.2 billion, of which Rs 92.3 billion from tax receipts, Rs 6.9 billion from external grants and Rs 5.7 billion from the closure of the two Special Funds.

349. The overall budget deficit will fall to Rs 15.5 billion, representing 3.2 per cent of GDP compared to 3.5 per cent in 2016/17.

350. Madam Speaker, we have listed a number of tax administration measures in the Annex to this Budget.

X. CELEBRATING LIBERTY

351. Madam Speaker, next year on the twelfth of March, all Mauritians will come together to celebrate the 50th Anniversary of our country’s independence. It is an event that we will celebrate in style, with pride and with the conviction that as a nation we have lived up to our own expectations. I am providing Rs 75 million to prepare for that great moment that will mark our history as a nation for ever.

352. Before concluding, I would like to express my sincere appreciation to all stakeholders who have participated in the pre-budget consultations. I have had very fruitful meetings with them and their contribution to this Budget should not be under-estimated.

353. I have also worked in close consultation with all my colleague ministers and parliamentarians and I thank them all for their support.
354. I would also like to extend my thanks to the Financial Secretary, the staff of the Ministry of Finance and Economic Development and staff at the Prime Minister’s Office who have worked relentlessly to prepare this Budget.

XI. CONCLUSION

355. I will now conclude.

356. Madam Speaker, as a nation, we have in our relatively short history faced many formidable challenges.

357. We have seen many turning points and decisive moments.

358. But all along our journey to the golden jubilee of our nation which we will be celebrating next year, we have always risen to the challenges before us.

359. Today, Budget 2017/18 takes us another stride forward - building on our strengths as a nation - on a past that makes us proud so as to shape a more prosperous and just society for the future.

360. Thus, today’s budget goes beyond allocating resources and setting development priorities for the next year.

361. It articulates the destiny we all want - sets realistic objectives and defines the pathways.

362. It states in no uncertain terms that as we move forward to achieve our high ambitions we will leave no one behind.

363. And we have all it takes to succeed.
364. Madam Speaker, it is my deep conviction that success goes to those who set the right goals and work hard and diligently towards them.

365. Let us therefore come together as a nation, like we have always done in the past, and rise to the challenge of our ambitions.

366. With these words, I commend the Bill to the House.
ANNEX

To

BUDGET SPEECH

2017 – 2018
BUDGET MEASURES

EXPLANATORY NOTES

MAIN PROVISIONS TO BE INCLUDED IN –

THE FINANCE (MISCELLANEOUS PROVISIONS) BILL 2017
Contents

Part A – Taxation and Public Finance ........................................... 1
  A.1. Income Tax ......................................................................... 1
  A.2. Property Taxes ..................................................................... 6
  A.3. Customs Duty ....................................................................... 8
  A.4. Excise Duty ......................................................................... 8
  A.5. Motor Vehicles- Vintage cars .............................................. 10
  A.6. Value Added Tax .................................................................. 10
  A.7. Company under Special Administration ................................ 12
  A.8. Tax Administration ................................................................ 12
  A.9. Land Conversion Tax ............................................................ 23

Part B – Other Budget Measures ..................................................... 28
  B.1. Banking and Non-Bank Financial Services ............................ 28
  B.2. Water and Energy .................................................................. 29
  B.3. Arts and Culture & Sports ..................................................... 31
  B.4. Housing, Construction Industry and Land Use Planning ...... 33
  B.5. Non-citizens ......................................................................... 36
  B.6. Enhancing Control on Gambling Activities ........................... 36
  B.7. Controlling Stray Dogs .......................................................... 38
  B.8. Foreign Labour ..................................................................... 38
  B.9. Insurance Premium waiver for 2017 crop ............................... 38
  B.10. Protecting Local Handicraft .................................................. 38

Part C – Other Legislations ............................................................... 39
  C.1. Borrower Protection Act ......................................................... 39
  C.2. Build Operate Transfer Projects Act ..................................... 39
  C.3. Commissions of Inquiry Act .................................................. 40
  C.4. Companies Act ..................................................................... 40
  C.5. Financial Reporting Act .......................................................... 40
C.6. Mauritius Cane Industry Authority ................................................. 41
C.8. Public Procurement Act ............................................................... 41
C.9. Sale by Auction Act .................................................................. 42
C.10. Sale of Immovable Property Act .............................................. 42
C.11. Statistics Act ............................................................................ 42
C.12. Miscellaneous ......................................................................... 42

Appendix I ......................................................................................... i
Appendix II ....................................................................................... ii
Appendix III ....................................................................................... iii
A.1. Income Tax

(a) Negative Income Tax

As from 1st January 2018, Mauritians in full time employment with earnings of Rs 9,900 or less in a month will be granted financial support from Government, in the form of a negative income tax, as follows:

(i) an employee earning Rs 5,000 in a month: Rs 1,000 (i.e., Rs 12,000 in a year);

(ii) an employee earning above Rs 5,000 but not exceeding Rs 7,000 in a month: Rs 800 (i.e., Rs 9,600 in a year);

(iii) an employee earning above Rs 7,000 but not exceeding Rs 9,000 in a month: Rs 500 (i.e., Rs 6,000 in a year);

(iv) an employee earning above Rs 9,000 but not exceeding Rs 9,750 in a month: Rs 250 (i.e., Rs 3,000 in a year); and

(v) an employee earning above Rs 9,750 but not exceeding Rs 9,900 in a month: Rs 100 (i.e., Rs 1,200 in a year).

For the purpose of the negative income tax, monthly income is inclusive of overtime, leave pay, and other allowances in relation to the employment of the individual but excludes travelling and end-of-year bonus. Any basic retirement pension received will also be included.

The first payment will be made by the Mauritius Revenue Authority (MRA) on or before 30th August 2018 in respect of the 6 months period January-June 2018.

The benefit will be payable only if:

(i) a person has been in continuous employment for 6 months prior to the first monthly payment becoming payable;
(ii) the employer and employee are fully compliant with their contributions to the National Pensions Fund and the National Savings Fund; and

(iii) the total taxable income of a couple plus any dividend and interest income does not exceed Rs 30,000 in a month.

(b) Income Exemption Thresholds

The existing income exemption thresholds are being increased by amounts ranging from Rs 5,000 to Rs 15,000 as shown in table below.

In addition, a new income exemption threshold of Rs 550,000 is being introduced to cater for taxpayers having 4 or more dependents.

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual with no dependent</td>
<td>Rs 295,000</td>
<td>Rs 300,000</td>
</tr>
<tr>
<td>Individual with one dependent</td>
<td>Rs 405,000</td>
<td>Rs 410,000</td>
</tr>
<tr>
<td>Individual with two dependents</td>
<td>Rs 465,000</td>
<td>Rs 475,000</td>
</tr>
<tr>
<td>Individual with three dependents</td>
<td>Rs 505,000</td>
<td>Rs 520,000</td>
</tr>
<tr>
<td>Individual with four or more dependents (NEW)</td>
<td>Rs 550,000</td>
<td>Rs 550,000</td>
</tr>
<tr>
<td>Retired/disabled person with no dependent</td>
<td>Rs 345,000</td>
<td>Rs 350,000</td>
</tr>
<tr>
<td>Retired/disabled person with dependents</td>
<td>Rs 455,000</td>
<td>Rs 460,000</td>
</tr>
</tbody>
</table>

These new thresholds will be effective as from income year starting on 1st July 2017, i.e. on income received by an individual as from 1st July 2017.
(c) Other Exemptions and Reliefs

(i) Deduction for Household Employees

An individual will be allowed to deduct from his taxable income the wages paid during a year to his household employees subject to a ceiling of Rs 30,000, provided he is fully compliant regarding social security contributions in respect of his employees. The maximum aggregate deduction a couple (where both spouses are liable to income taxation) will be allowed to claim shall be Rs 30,000.

(ii) Relief for Medical/ Health Insurance Premium

The maximum allowable deduction for medical or health insurance policies premiums is being raised as follows:

- from Rs 12,000 to Rs 15,000 in respect of the taxpayer;
- from Rs 12,000 to Rs 15,000 in respect of the first dependent; and
- from Rs 6,000 to Rs 10,000 in respect of each of two additional dependents.

(iii) Exempt Income

The following income is being exempted from Income Tax:

- financial assistance provided by Government to disabled persons under the National Pensions Act such as the basic invalidity pension, carer’s allowance and contributory invalidity pension; and
- Interest income derived by both individuals and corporates from debentures issued to finance renewable energy projects (“Green Bonds”) which have been granted tax-exempt status by the Director-General of the MRA.
(iv) **Solar Energy Investment Allowance**

It is being clarified that the solar energy investment allowance applies only in respect of a solar photovoltaic system. It does not cover solar water heaters.

(v) **Mauritian Diaspora**

The 10-year tax holiday on local source income that can be claimed by a person registered under the Mauritian Diaspora Scheme will be only in respect of the income he derives from the specific employment, business, trade, profession or investment for which he has become registered under the Scheme.

(d) **Solidarity Levy**

Any resident individual having a chargeable income plus dividends in excess of Rs 3.5 million will be required to pay a Solidarity Levy equivalent to 5 percent of that excess.

For example, an individual who has received, during an income year, total chargeable income amounting to Rs 2 million as well Rs 2 million as dividends, will have to pay a levy of 5% on Rs 500,000, i.e. Rs 25,000.

Note: Interest income is not included in the computation of the Solidarity Levy.

(e) **3% Reduced Rate of Corporate Tax on Exports of Goods**

A reduced corporate tax rate of 3% will, as from next financial year, be applied on the profits derived by any company from exportation of goods. The tax credit granted to those companies on investment in new plant and machinery will be prorated accordingly.
(f) **Income Tax Holiday**

An 8-year income tax holiday will be granted to a company engaged in the:

(i) manufacture of pharmaceutical products, medical devices and high tech products provided it is incorporated after 8\textsuperscript{th} June 2017; and

(ii) exploitation and use of Deep Ocean Water for providing air conditioning installations, facilities and services.

(g) **Tax Incentives for Research and Development (R&D)**

A company investing or spending on innovation, improvement or development of a process, product or service will be eligible to the following incentives:

(i) accelerated depreciation of 50% in respect of capital expenditure incurred on R&D, that is the investment cost is fully amortised in 2 years;

(ii) a double deduction (i.e. an additional 100%) in respect of qualifying expenditure on R&D directly related to the entity's trade or business and provided the R&D is carried out in Mauritius. This double deduction will be granted up to the income year 2021-2022 (i.e. for 5 years); and

Qualifying expenditure includes:

- Staff costs
- Consumable items
- Computer software directly used in R&D
- Subcontracted R&D

(iii) where such expenditures are not related to an entity's existing trade or business they will be allowed as an expense, provided the R&D is carried out in Mauritius.
(h) **Double Tax Deduction**

A company will be allowed to set off against taxable profits twice the expenditures incurred in respect of:

(i) its deep ocean water air conditioning bill for a period of 5 consecutive years; and

(ii) the acquisition and setting up of a water desalination plant.

(i) **Unrelieved Income Tax Losses**

In the case of a manufacturing company, the accumulated unrelieved income tax losses will not lapse upon a change of more than 50% in its shareholding provided that the change in shareholding is deemed to be in the public interest and the conditions relating to safeguard of employment are complied with.

A.2. **Property Taxes**

(a) **Hi-Tech Manufacturing Activities**

No registration duty and Land Transfer Tax will be payable on the transfer of a building or of land for construction of a building that will be used for qualifying Hi-Tech manufacturing activities.

(b) **Lease of Agricultural Land**

No registration duty will be payable by a small planter on an agreement for lease or sublease of land for agricultural use, not exceeding 10 hectares. Moreover, a stamp duty of only Rs 150 will be payable thereon.

(c) **Lease of land and building for operating a health institution**

The current registration duty exemption granted on acquisition or construction of a health institution is being extended to cover the lease or sublease of immovable property for operating a health
institution. This provision is being given retrospective effect as from December 2016.

(d) Invest Hotel Scheme

The exemption from payment of the Tax on Transfer of Leasehold Rights in State Lands on the first acquisition of an immovable property under the Invest Hotel Scheme is being extended to cover a resale.

(e) Remission/Refund of Duties and Taxes

The Land (Duties and Taxes) Act will be amended to allow remission or refund of registration duty, Land Transfer Tax and Tax on Transfer of Leasehold Rights in State Land in the following 3 specific cases, namely, where:

(i) there is no effective change in ownership of an asset;

(ii) a person makes an application for an existing exemption within one year from the date the relevant deed was registered; and

(iii) several documents are required to be registered in order to complete a transaction or in relation to the same subject leading to multiplicity of taxation.

All such requests shall be examined by a joint Ministry of Finance & Economic Development and Registrar-General Committee which shall submit its recommendations to the Minister.

(f) First time buyer exemption

A first time buyer of an ex-CHA residence or of a residence originally acquired from the NHDC will be eligible to registration duty exemption even if the property is on leasehold land or situated in a complex not governed by a ‘règlement de copropriété’.
A.3. Customs Duty

(a) Removal of Customs Duty

Customs duty is being removed on the importation of –

(i) all animal feed, except poultry feed and pet feed; and

(ii) scaffolding, shuttering, propping or pit-propping equipment made of wood or plastics used by job contractors.

(b) Furniture

With a view to encouraging value added processing/assembly of furniture by local industries, customs duty exemption will be granted on Knocked-Down furniture imported in the context of a Smart City project on the condition that a 20 percent local value addition is incorporated therein.

(c) Import by Post and Courier Services

Presently, the first Rs 2,000 of the value of an article imported by post and courier services is exempt from customs duty and VAT. Henceforth, this exemption value is raised to Rs 3,000.

(d) Motor vehicle purchased by Trade Union Confederation

A Trade Union Confederation will be exempted from customs duty on the purchase of a 15-seater motor vehicle (van).

A.4. Excise Duty

(a) Alcoholic Products

Effective as from 9th June 2017, the following rates of excise duty on alcoholic products will be applicable:
<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beer (per litre)</td>
<td>Rs 37.70</td>
<td>Rs 39.60</td>
</tr>
<tr>
<td>Spirit cooler (per litre)</td>
<td>Rs 49.20</td>
<td>Rs 51.70</td>
</tr>
<tr>
<td>Fruit wine (per litre)</td>
<td>Rs 30.60</td>
<td>Rs 32.10</td>
</tr>
<tr>
<td>Made wine (per litre)</td>
<td>Rs 65.50</td>
<td>Rs 68.80</td>
</tr>
<tr>
<td>Wine of grapes (per litre)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rs 105.30</td>
<td>Rs 110.60</td>
</tr>
<tr>
<td></td>
<td>Rs 184.80</td>
<td>Rs 194.00</td>
</tr>
<tr>
<td>Champagne (per litre)</td>
<td>Rs 880.00</td>
<td>Rs 924.00</td>
</tr>
<tr>
<td>Rum (per litre of absolute alcohol)</td>
<td>Rs 518.10</td>
<td>Rs 544.00</td>
</tr>
<tr>
<td>Cane spirits (per litre of absolute alcohol)</td>
<td>Rs 518.10</td>
<td>Rs 544.00</td>
</tr>
<tr>
<td>Whisky (per litre of absolute alcohol)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rs 1,001.00</td>
<td>Rs 1,051.00</td>
</tr>
<tr>
<td></td>
<td>Rs 1,600.50</td>
<td>Rs 1,680.00</td>
</tr>
<tr>
<td>Liqueur (per litre of absolute alcohol)</td>
<td>Rs 352.00</td>
<td>Rs 369.60</td>
</tr>
</tbody>
</table>

(b) **Tobacco Products**

Effective as from 9th June 2017, the following rates of excise duty on tobacco products will be applicable:
<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cigars (per kg)</td>
<td>Rs 16,056</td>
<td>Rs 17,662</td>
</tr>
<tr>
<td>Cigarillos (per thousand)</td>
<td>Rs 9,375</td>
<td>Rs 10,313</td>
</tr>
<tr>
<td>Cigarettes (per thousand)</td>
<td>Rs 4,646</td>
<td>Rs 5,111</td>
</tr>
</tbody>
</table>

**(c) Tea Growers**

The duty exemption on purchase of a single/double space cabin vehicle is being extended to a small tea grower.

**A.5. Motor Vehicles- Vintage cars**

The Excise Regulations, the Road Traffic Regulations and the Consumer Protection Regulations will be amended to change the definition of a “classic or vintage” motor car from “a motor car registered before 1<sup>st</sup> January 1970” to “a motor car aged at least 40 years”.

**A.6. Value Added Tax**

(a) Amendment will be made to clarify that security patrolling and monitoring systems that are integral part of an overall burglar alarm system will also be zero-rated.

(b) The provision governing VAT exemption on construction of a purpose-built building by a provider of tertiary education will be amended to cover the case where the building is constructed by a third party, purposely and exclusively, for lease to the provider of tertiary education.

(c) The VAT exemption granted to a corporate body on construction of a private hospital, nursing home or residential care home will be extended to cover a charitable institution.
(d) Provision will be made to allow claw-back of the VAT amount exempted in the above cases in case the building has been put to another use than agreed.

(e) The zero-rating of fees payable for examination of vehicles (fitness) under the Road Traffic Act will be extended by another year, that is, up to 30th June 2018.

(f) VAT and customs duty exemption will be granted on sterile water used for pre-operative, per-operative or post-operative cleaning of wound.

(g) The VAT Refund Scheme whereby a planter, breeder, apiculturist, fisherman or baker is refunded VAT paid on specified equipment will be extended to a tea cultivator. New items will be added to the existing list of qualifying equipment as follows:

(i) **Tea Cultivator**
   - Hand-held plucking shear
   - Hand-held pruning machine
   - Motorised tea harvester

(ii) **Planter**
   - Sharlon shade, green house and shade screen
   - Fertigation pump
   - Irrigation equipment
   - Hydroponic filter
   - Water tank

(iii) **Pig Breeder**
   - Farrowing/gestation/nursery crate
   - Heat lamp/ hot blast
   - Incubator
   - Pig feeder/drinker
   - Cooling fan

(iv) **Other Breeder**
   - Feed grinder
   - Ventilation fan
   - Chicken crate
   - Cages and coops
   - Water tank
(h) Under the Deferred Duty and Tax Scheme, Mauritians travelling overseas will be allowed to purchase, free of taxes, articles from downtown duty-free shops subject to these not used for local consumption and delivery is made at the airport/seaport on the day of their departure.

(i) VAT is being removed on sanitary pads and tampons.

A.7. Company under Special Administration

It is proposed to bring a number of specific legal amendments relating to sale of assets and disposal of liabilities of a company and its subsidiaries under special administration with a view to maximise funds available for policy-holders or depositors:

(a) registration duty and other transfer taxes will be exempted on the transfer of assets where the proceeds will be used, directly or indirectly, to repay policy holders or depositors;

(b) no surcharges will be payable in respect of contributions due to the National Pensions Fund, the National Savings Fund and the Training Levy. This exemption will also apply in respect of an undertaking taken over by a Government-owned company from such an insurance company or its subsidiaries. This exemption will be given retrospective effect as from 2015; and

(c) outstanding amounts of corporate tax, PAYE and VAT due to the MRA will be waived if deemed to be in the public interest.

A.8. Tax Administration

(a) Tax Administration: General

(i) Tax Arrears Payment Scheme

The Tax Arrears Payment Scheme is being re-introduced for another final year with new terms and conditions so as to expedite collection of long outstanding arrears of tax. The
scheme will apply to assessments raised or a tax return submitted before 1st July 2015.

Under the new Tax Arrears Payment Scheme, up to 100% of interests and penalties due will be waived if the taxpayer agrees by 31st March 2018 to settle his debt and the full amount of the debt is settled by 31st May 2018. Upon full payment of the tax arrears, any on-going prosecution will be withdrawn by the MRA.

However, in case the taxpayer fails to abide by his undertaking and does not make the payment by the agreed date, the offer of full waiver of interests and penalty and suspension of prosecution under the Scheme will be withdrawn.

(ii) Expeditious Dispute Resolution of Tax Scheme

The Expeditious Dispute Resolution of Tax Scheme (EDRTS) will be re-introduced for another year. It will target settlement of disputes of less than Rs 10 million by allowing the MRA to review the assessed amount including penalties claimed from a taxpayer who could not lodge an objection, principally because of failure to pay the 30% or 10% of the amount assessed.

(iii) Registration of Tax Agents

As part of efforts towards modernisation of tax administration, the Mauritius Revenue Authority Act will provide for registration of Tax Agents with the MRA. A member of the Mauritius Institute of Professional Accountants or a member of the Bar Council will be deemed to be registered.

An individual who is not an accountant or a lawyer and wishes to act as tax agent must have at least ten years’ experience:

- in the employment of a person who is a member of the Mauritius Institute of Professional Accountants;
- in the employment of a registered tax agent, or
- as a past officer of the MRA.
He must also satisfy the Director-General of the MRA that he is a fit and proper person to prepare returns and transact business under the revenue laws on behalf of taxpayers.

(iv) *Alternative Tax Dispute Resolution Panel*

The Alternative Tax Dispute Resolution Panel will be allowed to review, in cases where the amount involved exceeds Rs 10 million:

- assessments raised by the MRA under the Gambling Regulatory Authority Act;
- assessments raised by MRA in respect of Pay As You Earn (PAYE) and Tax Deduction at Source (TDS); and
- decisions taken by MRA.

(v) *Assessment Review Committee*

With a view to reducing the number of hearings at the Assessment Review Committee (ARC), the Mauritius Revenue Authority Act will be amended to provide for any written representations relating to income tax, value added tax and gambling taxes to be accompanied by written Statement of Case (in a format and form to be approved) and a Witness Statement.

Furthermore, each panel of the ARC will endeavour to fix a case for hearing within 2 months from the date a representation is lodged and to give its decision not later than 4 weeks from the end of the hearing.

(vi) *Receivership and Liquidation of a Company*

Revenue laws provide that PAYE, TDS and VAT collected do not form part of the estate of a business in liquidation or bankruptcy and any amount still outstanding in respect of these taxes should be paid in priority to the MRA before any distribution of property is made. The Insolvency Act will be
amended to specify that the priority of the MRA in cases of a company in receivership will be the same as in the case of a liquidation.

(vii) **Payment of 10% of the amount assessed on objection**

It is clarified that an objection will be considered as valid by the MRA if a person who has appealed to the Assessment Review Committee against the payment of the 10% of tax assessed subsequently decides to effect that payment prior to the case being called Proforma.

(viii) **Director-General of MRA to have option to refuse to give ruling**

The Director-General of the MRA will not be bound to give a tax ruling under the Income Tax Act, the Value Added Tax Act and the Customs Act if the issue for which a ruling is being sought relates to a matter under objection or appeal.

(ix) **Declaration of assets by officers of the MRA**

The obligation on an officer of the MRA to include in his Declaration of Assets those of his grandchildren is being removed. He will however be required to declare the assets donated or transferred to his grandchildren.

(b) **Tax Administration: Income Tax**

(i) **Annual Statement of Financial Transactions**

Presently, the Director-General of the MRA is empowered to request, on a case-to-case basis, a bank, or other deposit taking institution to provide detailed information on conviction or suspected cases of dealings in dangerous drugs or weapons, or if he requires the information in order to prevent tax evasion or fraud on public revenue.

The confidentiality provision in the Banking Act does not apply in such cases and MRA can access the details of any account operated or opened or any deposit made by a client.
In line with the international move towards automatic information exchange and in order to enable the proper tracking through of the movements of substantial funds linked with drug dealing and money laundering schemes, the Income Tax Act will be amended to empower MRA to request from banks, insurance companies and non-bank deposit taking institutions, an Annual Statement of Financial Transactions in cases where a transaction by any person (individual, company, société, trust or succession) exceeds Rs 500,000 or if the aggregate amount of deposit in an income year exceeds Rs 4 million. Money changers and foreign exchange dealers will also be under obligation to submit a Statement of Financial Transactions to the MRA.

The details to be included in the Annual Statement will be finalised after discussions with the Mauritius Bankers Association and the Insurers Association.

The confidentiality of the information obtained by the MRA in the Annual Statements will be maintained in accordance with the secrecy provision of the Income Tax Act.

(ii) **Obligation to furnish information**

Necessary amendments will be made to ensure that the obligation on a person to furnish data and information at the request of MRA for purposes of enforcement of tax laws will not be constrained by the confidentiality provisions of the Data Protection Act, Information and Communication Technologies Act and the Companies Act.

(iii) **Annual Statement of Dividends paid by companies**

Companies will be required to submit to the MRA a list of individuals who have been paid in a year dividends exceeding Rs 100,000.
(iv) **Tax Deduction at Source (TDS)**

Royalty income derived by a Mauritian from an artistic or literary work will not be subject to Tax Deduction at Source (TDS).

A société or succession whose annual turnover does not exceed Rs 6 million will not be required to operate TDS.

TDS of 15% will be withheld in lieu of PAYE if director fees are paid to the employer of a director instead of to the director himself.

A company awarding contracts for construction works will be required to operate TDS irrespective of its level of turnover.

(v) **Statement of Assets and Liabilities by High Net Worth Individuals**

The Income Tax Act was amended last year to require an individual who derives net income and exempt income exceeding 15 million rupees or owns assets the cost of which exceed 50 million rupees in an income year to submit a statement of assets and liabilities in such form and manner as may be prescribed.

Appropriate amendments will be made to the Act to specify the following:

- The obligation to file this statement is on Mauritian citizens who are tax residents in Mauritius. Non-citizens who are tax resident in Mauritius will not be required to submit the statement.

- The Statement shall also provide for the disclosure of the assets of spouse and dependent children of the taxpayer.

- Assets costing less than Rs 200,000 are excluded from the disclosure requirements.
- A person will not be required to submit every year such statement but will have to report major additions to his net assets and those of his spouse and dependent children exceeding specified threshold values.

- Disclosure of wrong information will constitute an offence under the law.

(vi) **Electronic filing of tax returns**

It will be mandatory for all companies to file their income tax returns and pay taxes to the MRA electronically. Likewise, an employer will be required to submit a PAYE return and remit tax withheld electronically.

Where a taxpayer opts for payment of tax under direct debit, banks shall accept the instruction as sufficient mandate for giving effect to the transaction.

(vii) **Employees to provide National Identity Card Number**

An employee will henceforth be required to provide his National Identity Card Number or his Non-Citizen’s Identification Number to his employer thus eliminating the obligation for the latter to seek a Tax Account Number from MRA.

(viii) **Transitional provisions for definition of Residence with respect to Individuals**

Following the tax year of 6 months from January to June 2015, the 270 days criterion used to determine tax residence is being reduced to 225 days for income years ending 30th June 2016 and 2017.

(ix) **Filing of income tax return on purchase of immovable property, motor vehicle or pleasure craft**

There will be no need for a person to compulsorily file an income tax return if he has acquired a high value immovable property, a motor vehicle or pleasure craft.
(x) **Deduction of contributions made to a superannuation fund**

An anti-avoidance provision is being re-introduced in the Income Tax Act to disallow, as an expense, contributions to a superannuation fund which are providing unreasonable benefits to selected employees.

(xi) **Application of withholding tax on pension and other emoluments**

A person liable to income tax and deriving pension from a pension scheme or other emoluments may opt to receive his pension or “other emoluments" net of PAYE of 15%.

(xii) **Secrecy in respect of unexplained wealth**

The secrecy provision of the Income Tax Act will be derogated to allow the Director-General of the MRA to report suspected cases of unexplained wealth to the Agency set up under the Good Governance and Integrity Reporting Act.

(xiii) **Exchange of information with other countries**

Legislative amendments will be brought to enable the MRA to meet the commitments undertaken by Mauritius for exchange of information with other countries including penalty provisions for persons not furnishing the required information to the MRA.

(c) **Tax Administration: Customs**

(i) New definitions are being introduced in the Customs Act, based on the Revised Kyoto Convention (the blueprint for modern and efficient Customs procedures) namely in respect of: –

- inward processing
- outward processing
- risk management
Presently, an importer has a statutory time limit of 14 days from the date of validation of a Bill of Entry to pay the required duties and taxes. The Customs Act will provide for automatic cancellation of the Bill in case of failure to respect that time limit.

In the context of the combat against money-laundering and illicit financial flows, especially in the wake of the recent drug seizures, MRA Customs is being empowered to detain currency where a departing passenger has in his possession undeclared amount exceeding Rs 500,000. In addition, the penalty payable for non-declaration is being substantially increased.

Similarly, MRA Customs will be empowered to detain imports suspected to be counterfeit or misleading as to their geographical origin.

MRA will be empowered to recoup from an importer who has abandoned his goods at Customs any costs incurred by the Authority in disposing or destroying them.

The Mauritius Revenue Authority will further streamline its procedures with a view to facilitating trade without compromising on border control and society protection through –

- clearance in case of goods not flagged under the customs risk management system and which do not require any agency clearance or have obtained prior agency clearance; and

- release and handing over of goods to a Government agency where the latter’s clearance has not been obtained but Customs requirements are satisfied.

MRA Customs will maintain its prerogative to carry out inspections in suspicious cases and post-control audit.
(vii) Provision is being made to allow the Mauritius Revenue Authority to release goods expeditiously in case of emergency or for national security reasons.

(viii) The Mauritius Ports Authority and Freight Forwarding Agents will henceforth be required to submit the statement of cargo movement electronically instead of manually.

(ix) As is the case under other revenue laws, the MRA will have a time limit of 5 working days to issue its tax claim after a decision has been reached by the ARC on a tax liability dispute. The taxpayer will have to settle the said amount within 28 days of the notice.

(x) An administrative penalty is being introduced for offences relating to import of specified prohibited goods (other than illicit drugs and counterfeit goods).

(xi) To avoid lengthy court procedures, upon payment of the penalty, the MRA may allow their re-exportation.

(xii) During the process of affixing the required tax stamp on cigarettes or alcoholic products, there are inevitably a few tax stamps that are spoilt and cannot be recovered. Accordingly, allowance of up to one percent for damaged is being made in management of tax stamps.

(d) **Tax Administration: Value Added Tax**

(i) It will be mandatory for all wholesalers of alcoholic drinks, irrespective of the turnover amount, to be VAT-registered.

(ii) A number of provisions of the Value Added Tax Act will be harmonised with those in the Income Tax Act, namely:-
• possibility for an aggrieved taxpayer to lodge an objection in respect of a VAT assessment through electronic means;

• setting the maximum penalty for failure to submit tax return and pay tax to Rs 100,000, compared to the current Rs 50,000;

• providing for the adjustment in respect of a bad debt to be made in the tax return for the taxable period during which it is actually written off; and

• adjusting the period for raising assessment by MRA, without the need to seek the authorization of the Independent tax panel, to 4 years instead of 3 years.

(iii) Penalty provisions will be introduced to cater for failure to use or for tampering with an Electronic Fiscal Device, which records and transmits electronically fiscal data to the Mauritius Revenue Authority.

(e) Tax Administration: Advertisements Regulation Act

Many operators are illegally erecting advertising structures and evading payment of the advertising structure fee. Provision is will be made to impose a penalty on owners of such advertising structures with a view to eliminating all illegal activity.

(f) Tax Administration: Registrar-General’s Department

(i) Arrears Payment Scheme

The Arrears Payment Scheme under the Registrar-General’s Department is being re-introduced for another year. The Scheme will provide for full waiver of penalties if a debtor of the Department settles any debt amount by 31st May 2018. This Scheme will apply to tax arrears due as at 8th June 2017.
(ii) **Online Search**

The online search facility of the immovable property database of the Registrar-General’s Department will be accessible to public sector bodies, banks, insurance companies, public notaries, and members of the legal profession involved in the property market, and the search fee reviewed.

(iii) **Conservator of Mortgages**

The Registrar-General Act will be amended to enable a person holding the post of Assistant Registrar-General to act as Conservator of Mortgages, concurrently with the Registrar-General, a Deputy Registrar-General and any officer authorised by the Registrar-General.

It is also being clarified that:

- a pre-sale agreement, drawn before a notary, will be treated in the same manner for registration and taxation purposes as one under private signature; and

- the Registration Duty exemption granted on a secured housing loan of up to Rs 2 million is also applicable on a loan agreement that is drawn up by a notary.

A.9. **Land Conversion Tax**

The Sugar Industry Efficiency Act will be amended to extend the land conversion tax exemption in respect of 18-hole golf courses to cover golf courses of 9 holes as well.

A.10. **Public Financial Management**

(a) **Public Debt Management**

The Public Debt Management Act will be amended to provide for:

(i) a new public sector debt ceiling, based on gross debt rather than net debt;
(ii) a new target and timeline for observance of the public sector debt ceiling; and

(iii) broadening of the coverage of loan guarantees by Government to include institution providing services solely to Government or to a public sector entity deemed to be in the public interest.

Public sector debt ceiling will comprise gross debt of Government, Extra Budgetary Units, Local Government, Rodrigues Regional Assembly and Public Enterprises.

(b) Modernising Public Sector Accounting

(i) Central Government

The Finance and Audit Act will be amended to include the preparation of financial statements in accordance with accrual International Public Sector Accounting Standards (IPSAS). The new statements in the accounts of Government will include, inter-alia:

- Statement of Financial Position;
- Statement of Financial Performance;
- Statement of Changes in Net Assets/Equity;
- Cash Flow Statement; and
- Statement of Comparison of Budget and Actual Amounts.

(ii) Statutory Bodies

The Financial Reporting Act will be amended to provide for the 16 Public Interest Entities (PIEs) which are also listed in the Statutory Bodies (Accounts & Audit) Act to prepare their Financial Statements under accrual IPSAS. It should be noted that instructions have been issued under the Local Government Act, section 133(2)(a) for Local Authorities to
prepare their Financial Statements as from Fiscal Year 2017/18 on accrual IPSAS.

(c) Public Investment Management

The Finance & Audit Act will be amended to provide for instructions issued in respect of the Capital Project Process Manual (CPPM) to rest with the Minister of Finance instead of Minister of Public Infrastructure with a view to simplifying the framework of planning, financing and implementation of capital projects.

The Project Plan Committee will be restructured into a Public Investment Management Unit at the Ministry of Finance and Economic Development (MOFED). The new Unit will carry out systematic appraisal of project proposals and make appropriate recommendations. It will also monitor implementation of major projects from planning to completion stage to reduce cost overruns and address bottlenecks.

A two-stage process for approval of projects is being adopted to reduce delays in project implementation. In the first instance, MOFED will provide financial clearance on projects so that project preparation, including pre-feasibility studies, preliminary design, and preparation of tender documents, can start. Final approval will be provided at a second stage and budgetary provisions made depending on Government priorities and fiscal space.

(d) Delegation of Powers

With a view to improving efficiency and effectiveness in public service delivery and avoid excessive delays and administrative layers, a system of delegation of power will be established in particular cases, such as advance for car loan. The Finance and Audit Act will be amended accordingly.
(e) **Inventory Management System**

A computerized inventory management system will be introduced across all Ministries/Departments to automate stock management system in government warehouses in order to close the automation loop of the procurement and supply cycle. The proposed inventory management system will interface with the fixed asset register so as to have a comprehensive register of assets in Government.

(f) **Procurement & Warehousing Process**

Financial Instructions will be issued under the Finance and Audit Act to:

(i) improve procurement planning by Ministries and Departments with a view to better prepare the procurement process right from the start and getting better procurement outcomes; and

(ii) review management of warehouses so as to ensure that warehousing activities/processes in Ministries/Departments are carried out efficiently and effectively.

(g) **State Owned Enterprises**

The Statutory Bodies (Accounts & Audit) Act will be amended to cater for the following:

(i) **Fiscal risks emanating from SOEs**

Ensure that statutory bodies do not enter into financial obligations in excess of their present and future financial capacity which would lead to Government contingent liability.

(ii) **Oversight by Parent Ministries**

Require Parent Ministries to have yearly performance/output agreement established with their statutory bodies.
(iii) **Strengthening accountability and transparency**


(iv) **Remuneration and fringe benefits of staff of statutory body**

Prior approval of the Minister shall be sought where the remuneration and fringe benefits of the staff of a statutory body is not governed by the Pay Research Bureau.

(h) **Pension**

(i) **Statutory Bodies Pensions Fund Act**

The Statutory Bodies Pensions Fund Act will be amended to provide for SICOM to report to every statutory body on a yearly basis information in relation to pension contributions on employees and beneficiaries. The objective is to enable the statutory body to better monitor performance and financial situation of its pension fund and its administration by SICOM.

(ii) **Pensions Act**

The Pensions Act will be amended to review the composition of the Public Pension Advisory Committee (PPAC) given that the academic or professional qualifications and proven experience required from members has proved to be restrictive for the choice of representatives of Trade Unions.

(iii) **Civil service family protection scheme**

The Civil Service Family Protection Act will be amended to take on board religious marriages which have been registered in the Register of Past Religious Marriages, enhance accountability with respect to preparation of Financial Statements and other operational issues.
(i) **Special Funds**

With a view to improving transparency in the management of public finances, all the revenues and expenditures of the Build Mauritius Fund and National Resilience Fund will, as from 1st July 2017, be accounted for in the Consolidated Fund.

Accordingly, these two Special Funds will be closed. The First Schedule to the Excise Act will be adjusted to incorporate the contribution to the Build Mauritius Fund of Rs 4 per litre of mogas (petrol) and gas oil (diesel), presently levied under the Consumer Protection (Control of Price of Petroleum Products) Regulations.

---

**PART B – OTHER BUDGET MEASURES**

**B.1. Banking and Non-Bank Financial Services**

(a) **Bank of Mauritius Act**

The Bank of Mauritius Act will be amended to allow-

(i) the Central Bank to license and regulate the issue of commercial papers with a view to enable corporate borrowers to diversify their source of short-term borrowings and to provide an additional instrument for investment;

(ii) the Bank of Mauritius to invest in currencies as it may determine;

(iii) for the issue of Shariah compliant instruments as the Central Bank may determine.

(b) **Banking Act**

The Banking Act will be amended to-

(i) allow for the licensing and regulation of the issue of commercial papers; and

(ii) raise the minimum capital of commercial banks from Rs 200 million to Rs 400 million. Transitional provisions
will be provided to existing banks to increase their respective minimum capital to Rs 400 million.

(c) **Financial Services Act**

The Financial Services Act will be amended to provide for an increase in the number of members on the Board of the Financial Services Commission from 7 to 9.

(d) **Promotion of Fintech**

With a view to promoting Mauritius as a regional Fintech centre, the Financial Services Commission will issue relevant Rules.

(e) **Securities Act**

To position Mauritius as a capital raising platform, the requirements pertaining to a prospectus as set forth under the Securities Act 2005 and Securities (Public Offer) Rules 2007 will no longer be applicable for companies holding a GBC1 Licence which are also listed in another jurisdiction. Only the requirements under the SEM Listing Rules will henceforth apply.

B.2. **Water and Energy**

(a) **Water**

With the objective to achieving regular water supply and modernizing the water supply and distribution, various projects will be implemented including –

(i) **Construction of steel tanks at the following 21 sites:**

1. Alma Hill Reservoir 9. Gros Cailloux
2. Alma Reservoir 10. Melrose
4. Beemanique 12. Nouvelle France
5. Bonne Mere 13. Palma
7. Chamarel 15. Quartier Militaire
8. Etoile 16. Quatre Bornes
17. Rample le Moirt 20. Terre Rouge
18. St Aubin 21. Trois Mamelles
19. St Julien D’Hotman

(ii) **Installation of 15 mobile containerised pressure filtration plants at the following 9 sites:**

1. Mont Loisir Rouillard Reservoir
2. Plaines Des Papayes Reservoir
3. Trianon
4. Tyack
5. Grand Riviere Sud Est
6. Riviere Du Poste Water Treatment Plant
7. Mont Blanc Water Treatment Plant
8. Rouge Terre
9. Unite Reservoir

(b) **Renewable Energy**

(i) **SSDG Net Metering Scheme for households**

With a view to democratizing access to the grid, the Small Scale Distributed Generation (SSDG) Net Metering Scheme has been developed to allow customers, also known as Prosumers (Producers/Consumers), to generate electricity using solar photovoltaic system primarily for their own consumption.

Any surplus energy generated are exported to the CEB grid which is stored as units of kilowatt-hour (kWh) credit at no cost. The credit is used when the customer’s system is not generating enough electricity to meet his/her demand that is during night time and on cloudy days. The energy offset is done within each billing period and any excess bill credit remaining at the end of a month is carried over to the subsequent month and so on.

If a Prosumer takes more electricity from the CEB than she/he has sent into the grid, the quantity imported in excess of the quantity exported will first be reduced by any quantity of energy already in balance, if any, before the final energy charge is raised.
The Scheme will be extended for a capacity of 2 MW for about 1,000 households.

(ii) **Green Energy for SMEs**

The Central Electricity Board, through its subsidiary CEB (Green Energy) Co. Ltd will install 2,000 grid tie solar PV kits of 2 kW each on the rooftop of small businesses in the commercial category, which are registered under the Central Electricity Board Tariff 215. The project will be implemented over a period of three years.

The CEB (Green Energy) Co. Ltd will undertake the procurement, installation, operation and maintenance of the installations. It will retain the ownership of the assets and will sign Electricity Supply Purchase Agreement with the small businesses.

Each kit is estimated at Rs 100,000. The small businesses will be required to contribute 50% of this cost, without any interest, over a period of 24 months. There will be no operational and financial risks for the enterprise.

The electricity tariff for small businesses under the commercial category is Rs 10.01 per kWh. The installation of rooftop solar PV will enable them to achieve savings on electricity charges and reduce their operation costs. The small businesses will thus contribute to the promotion of a green economy.

**B.3. Arts and Culture & Sports**

(a) **Lotto Fund**

The Lotto Fund has been set up to contribute to the financing of projects, schemes and events in relation to, *inter-alia*, sports, culture, leisure, heritage or art development and the preservation and rehabilitation of historical and cultural heritage sites and structures. Funds are being provided under the Lotto Fund for the implementation of, *inter alia* -
(i) a scheme to give performance opportunities to emerging Local Artists to perform and showcase their talents;

(ii) a Production Grant scheme to support creative arts projects;

(iii) a scheme to encourage Local Production for Artists through the Mauritius Broadcasting Corporation;

(iv) activities of the National Art Fund;

(v) a National Award for Artists for their outstanding achievements;

(vi) formulation of a National Sports Policy;

(vii) a scheme for the professional development of Athletes;

(viii) support to Professionalisation of Football;

(ix) sports activities for School Children;

(x) youth empowerment against Social ills;

(xi) Sports Training Programme for Adolescents; and

(xii) wellness programme for senior citizens.

The Lotto Fund will also finance the rehabilitation of the following 14 historical and cultural heritage sites and structures:

(i) Grand Port Battle Memorial, Mahebourg;
(ii) French Battery, Pointe du Diable;
(iii) Ruins of World War II, Pointe du Diable;
(iv) Tour Hollandais, Vieux Grand Port;
(v) Old Fort/ Fort Albert Baie du Tombeau;
(vi) Donjon St Louis, Grand River North West;
(vii) Martello Tower, La Preneuse;
(viii) La Tour Koenig;
(ix) Batterie Bourgogne at Anse Petit Sable;
(x) Old French Battery at Vieux Grand Port;
(xi) Dutch Cemetery at Vieux Grand Port;
(xii) Bain des Negresses;
(xiii) Batterie de l'Harmonie; and
(xiv) Powder Mills, Pamplemousses.

(b) Retired Athletes Scheme

A Scheme for retired high level athletes will be set up to give due recognition to our athletes who have won medals at African Championships, African Games, Francophone Games, Commonwealth Games, World Championships and Olympic Games and have made the nation proud of their performances.

Accordingly, fund is being provided in the budget of Trust Fund for Excellence in Sports for the payment of a monthly allowance to the retired athletes as follows:

<table>
<thead>
<tr>
<th>Level of competition (Senior Category only)</th>
<th>Monthly Allowance (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Olympic Sport</td>
</tr>
<tr>
<td>African Championships and African Games</td>
<td>5,000</td>
</tr>
<tr>
<td>Francophone Games and Commonwealth Games</td>
<td>7,000</td>
</tr>
<tr>
<td>World Championships and Olympic Games/ Paralympics Game</td>
<td>10,000</td>
</tr>
</tbody>
</table>

B.4. Housing, Construction Industry and Land Use Planning

(a) Social Housing Policy

The income eligibility criteria for social housing schemes of the National Empowerment Foundation (NEF) and the National Housing Development Company Ltd (NHDC) are being aligned with the new poverty threshold on an adult basis of the Social Register of Mauritius (SRM) as per table at Appendix I.
(b) **Professional Land Surveyors’ Council**

Section 52 of the Professional Land Surveyors’ Council Act 2014 will be proclaimed to allow for the setting up of a Professional Land Surveyor’ Council. The Council will act as a mechanism to ensure that there is a more professional approach in the handling of land issues by Land Surveyors in accordance with the Cadastral Survey Act 2011.

(c) **Council of Professional Planners**

Professional Planners’ Council Bill, which will be similar to the Professional Architects’ Council Regulation, will be introduced. The Professional Planners’ Council would be a body corporate and would, amongst others, regulate and control the practice of planners, ensure that the codes of practice prescribed by the Council are complied with and promote the advancement of land use planning.

(d) **Local Government Act**

An amendment was brought to the Local Government Act 2011 last year to enable charging the General Rate on a property which has been the subject of an alteration in the valuation list between 15\(^{th}\) December 2011 and 1\(^{st}\) July 2016, i.e., retrospectively. Decision has been taken to apply this measure as from Financial Year 2016/17. Steps will be taken for the writing off of unpaid claims that have already been issued in respect of years up to 2015/2016.

(e) **Real Estate Development**

   (i) **Morcellement Act**

Excision of land into lots provided each lot exceeds 5 hectares will not require a Morcellement Permit but only approval of the relevant local authority, in cases where there is no material change to the land.
(ii) **Investment Promotion (Smart City Scheme)**

The time-limit imposed on a Mauritian citizen who purchases a serviced plot of land under the Smart City Scheme for completing construction of his residence will be extended from 5 years to 10 years.

The owner of such a serviced plot will be allowed to transfer his property even if construction works have not started, provided the new owner undertakes to abide by the time-limit of 10 years as from the date of the first acquisition.

The provisions in the Code Civil Mauricien relating to ‘Association Syndicales’ (Syndics) will be reviewed to ensure smooth administration of common areas in a smart city.

As part of their social obligation, promoters of Smart City projects will have to make a contribution of Rs 25,000 upon the sale of every residential unit or serviced plot to a Social Fund to be set up as a Special Fund under the Finance and Audit Act. This contribution will be over and above the normal CSR obligations and will be applicable to all Smart City projects, including those already issued with a Letter of intent or an SCS Certificate.

The Social Fund will finance programmes, infrastructural works, social amenities and other facilities to be undertaken by the relevant local authority, for the benefit of the local community.

(iii) **Property Development Scheme**

The processing fee payable on an application for acquisition of a property under the Property Development Scheme will be increased two-fold to Rs 20,000.

(iv) **Invest Hotel Scheme**

A non-citizen who has invested at least USD 500,000 in the acquisition of a unit under the Invest Hotel Scheme (IHS) will
be eligible to a residence permit so long as he retains ownership of the unit.

Acquisition of a unit under the Scheme will be governed by the standard provisions of the Code Civil Mauricien. Accordingly, the clause contained in the IHS Regulations relating to right or interest on the State land on which the hotel is located, will be removed.

B.5. Non-citizens

Non-citizens will be allowed to acquire life rights in residential care homes and other similar facilities outside smart cities on production of an authorisation from the Board of Investment granted after it has obtained the approval of the Minister.

A retired non-citizen will be given the option of transferring at least USD 2,500 monthly to be eligible to a residence permit.

B.6. Enhancing Control on Gambling Activities

The Gambling Regulatory Authority Act will be amended to:

(a) introduce international best practices including updates that take into account avenues of innovative IT enabled operations. This will allow Gambling Regulatory Authority (GRA) to better combat illegal betting and associated problems related to money laundering offences;

(b) introduce the Personal Management Licence for the horseracing and gaming sectors to foster integrity and better supervise gambling activities, as is applicable under the UK Gambling Commission and the British Horseracing Authority;

(c) reinforce its regulatory functions and powers as regards the horseracing industry, as well as the betting activities carried therein and for establishing a level playing field among operators;
(d) ban cash betting transactions above Rs 2,000 and introduction of an account based betting together with a player card program/system. This will increase audit trail on betting activities and facilitate the tracking of offences related to money laundering;

(e) make it mandatory for licensees/operators earning Rs 10 million or above, to report and file suspicious transaction reports to relevant Authorities for a more effective fight against illegal activities in the gambling sector;

(f) make provisions for every licensee, other than a collector or an operator of dart games, to:

(i) prepare and submit his financial statements in accordance with the International Financial Reporting Standards (IFRS);

(ii) have his financial statements audited by an auditor licensed by the Financial Reporting Council; and

(iii) not later than 6 months after the closing of the account submit the audited financial statements to the GRA and the Mauritius Revenue Authority;

(g) transfer the licensing of coin operated machines from Local Authorities to the GRA to increase control on these machines;

(h) make provisions for penalties in respect of failure to comply to conditions of licence relating to the Central Electronic Monitoring System; and

(i) make provisions for payment of the appropriate fees for coin operated machines.

The GRA has already formulated a framework for responsible gambling, which includes a code of conduct for the gambling industry. This framework will be applicable as from November 2017. It will be mandatory for licensees and stakeholders to adopt this framework, which will promote responsible gambling.
Hotels will be allowed to host gaming machines within their premises and such games will be restricted to non-residents/foreigners.

B.7. Controlling Stray Dogs

The Ministry of Agro-Industry and Food Security will set up an animal control unit and re-organize its operations to deal with the issue of stray dogs.

The role, functions and responsibilities of the Mauritius Society for Animal Welfare and the Animal Welfare Unit, which operate under the aegis of the Ministry of Agro-Industry and Food Security, will be reviewed to tackle the problem of stray dogs.

B.8. Foreign Labour

Foreign Labour policy will be reviewed to better address manpower shortages. Eight years contract are normally provided to foreign workers in the textile sector. This arrangement will be extended to some other sectors, namely, the construction industry and furniture making and agro industry.

In addition, a short-term bridging work permit is being introduced to address delays in processing of applications for the renewal of work permits.

B.9. Insurance Premium waiver for 2017 crop

Financial resources equivalent to the total amount of insurance premium payable by planters with up to 60 tons of sugar accrued in respect of the 2017 sugar crop will be made available to the Sugar Insurance Fund Board (SIFB).

B.10. Protecting Local Handicraft

In order to protect traditional handicraft, the Commodities (Indication of Origin) Regulation 1981 will be amended to ensure that all products should, as from 1st October 2017, mandatorily display their country of origin. This will allow consumers, including
tourists to make an informed choice when making a purchase. Non-compliance will entail a fine of up to Rs 500,000.

SME Mauritius Ltd will introduce a hologram to be affixed on all locally made handicraft products.

The Consumer Affairs Unit of the Ministry of Commerce will step up its enforcement action against importers and sellers providing false and misleading information as to the origin of products.

**PART C – OTHER LEGISLATIONS**

### C.1. Borrower Protection Act

The Borrower Protection Act will be amended to:

(a) allow for the lender to be debarred from claiming from the guarantor any arrears left unpaid where the lender has failed to inform the borrower within 2 months following the default; and

(b) provide for the Sale of Immovable Property Act not to be applicable for a period of 2 years from the date of the intention to serve a notice of date of sale where the mortgaged immovable property is the sole residence of a worker who has been made redundant on economic grounds.

### C.2. Build Operate Transfer Projects Act

The Build Operate Transfer Projects Act will be amended to:

(a) include Build Own Operate (BOO) models within the definition of the Act as BOO model is an important variant of BOT models;

(b) allow the BOT Projects Unit to monitor value for money and budget affordability during operational stage of a BOT Project;

(c) provide the necessary powers to the BOT Projects Unit to collect the necessary information on projects to deliver on
value for money above and to initiate corrective actions in case contracting authorities deviate from best practice; and

(d) specify BOT procurement methods to consolidate the provisions of the BOT Projects Act.

C.3. Commissions of Inquiry Act

Technical amendment will be made to the Commissions of Inquiry Act to align it with the Banking Act.

C.4. Companies Act

The Companies Act will be amended to:

(a) allow Islamic financial institutions and Islamic banks to adopt accounting standards issued by the Accounting and Auditing Organisation for Islamic Financial Institution instead of those issued by International Financial Reporting Standards;

(b) allow the Registrar to keep a register of beneficial owner/ultimate beneficial owner;

(c) allow companies using Extensible Business Reporting Language (XBRL) to pay a fee to the Registrar;

(d) allow companies to include a Corporate Governance Report in their Annual Report; and

(e) align the obligations of Special Purpose Funds under the Act with those of Category 1 Global Business Companies.

C.5. Financial Reporting Act

The Financial Reporting Act will be amended to provide that wholly owned subsidiaries need not comply with the National Code of Corporate Governance if its ultimate holding company is already complying with the same.
C.6. **Mauritius Cane Industry Authority**

The Mauritius Cane Industry Authority Act will be amended to –

(a) clarify that the contribution made by a distiller-bottler should be based on the potable alcohol derived from cane and cane products;

(b) apply the Rs 40 contribution per litre of absolute alcohol produced by a local distiller-bottler from cane and cane products to similar import; and

(c) empower MRA Customs to collect the contribution from a distiller-bottler or an importer (instead of the Mauritius Sugar Syndicate) for ease of administration.

C.7. **National Identity Card Act**

The National Identity Card Act will be amended to allow reading card data by both public and private agencies as may be determined by the Ministry of Technology, Communication and Innovation according to set criteria.

C.8. **Public Procurement Act**

The Public Procurement Act will be amended to:

(a) allow a Public Body, in a bidding exercise, to exclude bidders whose performance in previous public contract has shown deficiencies including failure to deliver or perform with regard to contractual requirements but does not warrant a formal disqualification;

(b) reinforce the powers of the Director, Procurement Policy Office to enforce debarment procedures;

(c) specify the types of works contracts and values that may be reserved for small and medium enterprises; and

(d) define a small and medium enterprise as per the definition in the Small and Medium Enterprises Development Authority Act.
C.9. **Sale by Auction Act**

The Sale by Auction Act will be reviewed and a new Sale by Auction Bill will be prepared.

C.10. **Sale of Immovable Property Act**

The Sale of Immovable Property Act will be amended to:

(a) fix the ‘mise a prix’ at a price which is not less than half of the value of the property mortgaged;

(b) allow an inscribed or judgement creditor to ask for subrogation in the proceedings where there has been collusion, fraud or negligence on the part of the creditor or the financial institution, legal adviser and their agents to sue the person responsible for damages.

C.11. **Statistics Act**

The Statistics Act will be amended to provide for:

(a) members of committees set up by the Statistics Board to take the oath of confidentiality before a Magistrate; and

(b) fieldworkers for surveys conducted by Statistics Mauritius in Rodrigues and Agalega, and researchers from abroad who wish to obtain micro data from Statistics Mauritius to make a declaration of confidentiality in such form as the Director may approve without having to be physically present in Mauritius to take the declaration.

C.12. **Miscellaneous**

Some technical amendments will be brought to clarify, fine-tune, plug loopholes and harmonise various provisions in revenue laws and other enactments.
## Income eligibility criteria for Social Housing Schemes

<table>
<thead>
<tr>
<th>Social Housing Schemes</th>
<th>Previous income eligibility criteria and subsidy level</th>
<th>New income eligibility criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Scheme I:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Implementing Body:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NEF</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| (for NEF beneficiaries who are owners of land /or lessee of state land) | • Less than Rs 6,200 per household per month  
• Government contribution: 75%  
• Beneficiary’s contribution: 25% | • SRM income thresholds on adult basis |
| **Scheme II:**         |                                                      |                               |
| Implementing Body:     |                                                      |                               |
| NHDC                   |                                                      |                               |
| (10% of NHDC integrated houses earmarked for NEF beneficiaries who are not land owners) | • Less than Rs 6,200 per household per month  
• Government contribution: 75%  
• Beneficiary’s contribution: 25% | • SRM income thresholds on adult basis |
| **Scheme III:**        |                                                      |                               |
| Implementing Body:     |                                                      |                               |
| NHDC                   |                                                      |                               |
| NHDC Housing Schemes   |                                                      |                               |
| The NHDC scheme is for households not falling under Scheme I and II above | (i) Between Rs 6,200 -Rs 10,000 per household per month  
• Government contribution: 2/3  
• Beneficiary’s contribution: 1/3 | • Less than Rs 10,000.  
• Households earning below Rs 10,000 monthly and not found eligible under the SRM.  
• No change in contribution rate. |
|                        |                                                      | (ii) Between Rs 10,001 to Rs 15,000 per household per month  
• Government contribution: 50%  
• Beneficiary’s contribution: 50% | • No change in income eligibility criteria and contribution. |
|                        |                                                      | (iii) Between Rs 15,001 to Rs 20,000 per household per month  
• Government contribution: 20%  
• Beneficiary’s contribution: 80% | • No change in income eligibility criteria and contribution. |
## APPENDIX II

### List of Projects Funded under Indian Financial Assistance

<table>
<thead>
<tr>
<th>SN</th>
<th>Projects</th>
<th>Estimated Project Value (USD Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Metro Express</td>
<td>535</td>
</tr>
<tr>
<td>2</td>
<td>Social Housing</td>
<td>100</td>
</tr>
<tr>
<td>3</td>
<td>New Administrative City Project (Government Buildings)</td>
<td>100</td>
</tr>
<tr>
<td>4</td>
<td>Water Projects</td>
<td>55</td>
</tr>
<tr>
<td>5</td>
<td>Energy Project</td>
<td>10</td>
</tr>
<tr>
<td>6</td>
<td>New Supreme Court Building</td>
<td>30</td>
</tr>
<tr>
<td>7</td>
<td>E-Health Project</td>
<td>15</td>
</tr>
<tr>
<td>8</td>
<td>Education – Tablets</td>
<td>14</td>
</tr>
<tr>
<td>9</td>
<td>New ENT Hospital</td>
<td>14</td>
</tr>
<tr>
<td>10</td>
<td>National Archives and National Library Project</td>
<td>13</td>
</tr>
<tr>
<td>11</td>
<td>Construction of New Building for Printing</td>
<td>11</td>
</tr>
<tr>
<td>12</td>
<td>National Wholesale Market Project</td>
<td>10</td>
</tr>
<tr>
<td>13</td>
<td>Construction of Market Fairs at Mahebourg, Bel Air, Goodlands and Chemin Grenier</td>
<td>17</td>
</tr>
<tr>
<td>14</td>
<td>Construction of Traffic Centres at Ebene, Pointe aux Sables and Piton</td>
<td>9</td>
</tr>
<tr>
<td>15</td>
<td>Hi Tech Equipment for Cancer Hospital</td>
<td>8</td>
</tr>
<tr>
<td>16</td>
<td>Renovation of Plaza Theatre at Rose Hill</td>
<td>8</td>
</tr>
<tr>
<td>17</td>
<td>Construction of Mediclinics at Quartier Militaire, Bel Air and Stanley</td>
<td>7</td>
</tr>
<tr>
<td>18</td>
<td>Flyover at Ebene</td>
<td>7</td>
</tr>
<tr>
<td>19</td>
<td>Acquisition of Fire Fighting vehicles</td>
<td>6</td>
</tr>
<tr>
<td>20</td>
<td>Purchase of Linear Accelerator</td>
<td>4</td>
</tr>
<tr>
<td>21</td>
<td>Renovation of Town Hall at Curepipe</td>
<td>3</td>
</tr>
<tr>
<td>22</td>
<td>Administrative buildings for Councils at Flacq, Pamplemousses and Savanne</td>
<td>3</td>
</tr>
<tr>
<td>23</td>
<td>Acquisition of Incinerators</td>
<td>3</td>
</tr>
<tr>
<td>24</td>
<td>High Volume Water Pumps for Flooding</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>983</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Total (Rs Equiv.)</strong></td>
<td><strong>35.2 billion</strong></td>
</tr>
</tbody>
</table>
## APPENDIX III

### Key Community-Based Projects

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Construction and Upgrading of Drains:</td>
<td>1,669</td>
<td>829</td>
<td>420</td>
<td>420</td>
</tr>
<tr>
<td></td>
<td>Fond du Sac, Pereybere, Poste de Flacq, Quatre Bornes, Camp Carol-Grand Baie, Pointe Aux Sables, Vallée Pitot, Chitrakoot, Sebastopol, Bramstan, Trois Boutiques, Argy, Bel Ombre and other regions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Construction and Upgrading of Secondary Roads:</td>
<td>750</td>
<td>250</td>
<td>250</td>
<td>250</td>
</tr>
<tr>
<td></td>
<td>Congomah, Richelieu, Cite La Cure, Olivia, Riviere du Poste, Vacoas and other regions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Construction and Upgrading of Amenities:</td>
<td>1,132</td>
<td>495</td>
<td>343</td>
<td>293</td>
</tr>
<tr>
<td></td>
<td>Minor Sports Infrastructure, Landscaping works, Cremation Grounds, Children's Playgrounds and others</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Construction of Market Fairs:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Bel Air</td>
<td>115</td>
<td>20</td>
<td>30</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td>(b) Goodlands</td>
<td>300</td>
<td>25</td>
<td>30</td>
<td>215</td>
</tr>
<tr>
<td></td>
<td>(c) Chemin Grenier</td>
<td>125</td>
<td>10</td>
<td>20</td>
<td>80</td>
</tr>
<tr>
<td></td>
<td>(d) Mahebourg</td>
<td>85</td>
<td>15</td>
<td>20</td>
<td>40</td>
</tr>
<tr>
<td>5</td>
<td>Multipurpose Complex at Riviere du Rempart</td>
<td>50</td>
<td>5</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>6</td>
<td>Multipurpose Complex at Plaine Verte</td>
<td>50</td>
<td>5</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>7</td>
<td>Construction of Swimming Pools:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Phoenix</td>
<td>75</td>
<td>5</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>(b) Curepipe</td>
<td>75</td>
<td>1</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>(Consultancy for design and tender)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(c) Rivière des Anguilles</td>
<td>75</td>
<td>1.8</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>(Consultancy for design and tender)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Multi-sports Complex at Port Louis</td>
<td>75</td>
<td>5</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>9</td>
<td>Multi-sports Complex at Triolet</td>
<td>75</td>
<td>5</td>
<td>15</td>
<td>20</td>
</tr>
</tbody>
</table>

Table continues on next page
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Leisure Park at Quartier Militaire</td>
<td>45</td>
<td>5</td>
<td>10</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Waterfront at Deux Freres</td>
<td>60</td>
<td>5</td>
<td>15</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Renovation of Plaza Theatre, Rose Hill</td>
<td>324</td>
<td>10</td>
<td>97</td>
<td>187</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Renovation of the Town Hall, Curepipe</td>
<td>110</td>
<td>-</td>
<td>15</td>
<td>55</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td><strong>Construction of Incinerators:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Camp Le Vieux and Quatre Bornes</td>
<td>12</td>
<td>3.5</td>
<td>7.5</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) Tombeau, Mahebourg</td>
<td>12</td>
<td>3.5</td>
<td>7.5</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(c) Highlands and Allée Brillant</td>
<td>15</td>
<td>3.5</td>
<td>9.5</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(d) Souillac</td>
<td>12</td>
<td>2.5</td>
<td>8.5</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(e) Montagne Longue</td>
<td>12</td>
<td>3</td>
<td>6</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td><strong>Construction of District Council Head Office:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Pamplemousses</td>
<td>30</td>
<td>8</td>
<td>13</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) Flacq</td>
<td>30</td>
<td>8</td>
<td>13</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(c) Savanne</td>
<td>40</td>
<td>9</td>
<td>19</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td><strong>Construction of Mediclinics:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Quartier Militaire</td>
<td>80</td>
<td>5</td>
<td>20</td>
<td>38</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) Coromandel</td>
<td>67</td>
<td>8</td>
<td>15</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(c) Stanley</td>
<td>80</td>
<td>1</td>
<td>20</td>
<td>42</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(d) Bel Air</td>
<td>87.2</td>
<td>1</td>
<td>20</td>
<td>45</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td><strong>Construction of Area Health Centres:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Bambous</td>
<td>45</td>
<td>5</td>
<td>15</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) Petite Riviere</td>
<td>45</td>
<td>5</td>
<td>15</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td><strong>Construction of Community Health Centres:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) St Francois Xavier</td>
<td>38</td>
<td>5</td>
<td>15</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) Esperance Quartier</td>
<td>38</td>
<td>5</td>
<td>10</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(c) Cap Malheureux</td>
<td>38</td>
<td>2</td>
<td>10</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(d) Trou d'Eau Douce</td>
<td>38</td>
<td>2</td>
<td>5</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(e) Camp de Masque</td>
<td>38</td>
<td>2</td>
<td>9</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(f) Grand Baie</td>
<td>38</td>
<td>2</td>
<td>11</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(g) Baie du Cap</td>
<td>38</td>
<td>2</td>
<td>10</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>6,023</strong></td>
<td><strong>1,778</strong></td>
<td><strong>1,569</strong></td>
<td><strong>2,062</strong></td>
<td></td>
</tr>
</tbody>
</table>