

HIGHLIGHTS OF CABINET MEETING – FRIDAY 26 NOVEMBER 2021

1. Cabinet has agreed to the introduction of the Virtual Asset and Initial Token Offering Services Bill into the National Assembly. The object of the Bill is to provide a comprehensive legislative framework to regulate the new and developing business activities of virtual assets and initial token offerings. The Bill has been rendered necessary with a view to meeting international standards of the Financial Action Task Force by making provisions for managing, mitigating and preventing money laundering and financing of terrorism and proliferation risks (AML/CFT) associated with those emerging business practices.

The Financial Services Commission, established under the Financial Services Act, shall, amongst its other functions and powers, be responsible for regulating and supervising virtual asset service providers and issuers of initial token offerings. Accordingly, the Bill makes provisions for the Financial Services Commission to, inter alia, -

- (a) license virtual asset service providers;
- (b) register issuers of initial token offerings; and
- (c) determine whether virtual asset service providers and issuers of initial token offerings are, for the purpose of combatting money laundering and the financing of terrorism and proliferation, complying with the Financial Intelligence and Anti-Money Laundering Act, the Financial Services Act and the United Nations (Financial Prohibition, Arms Embargo and Travel Ban) Act 2019.

In addition, with a view to protecting the rights of clients of virtual assets and virtual tokens, and to combatting money laundering and the financing of terrorism and proliferation, it shall be a financial crime offence –

- (i) to carry out business activities as a virtual asset service provider without being licensed as such;
- (ii) to carry out business activities as an issuer of initial token offerings without being registered as such; and
- (iii) for a person to, otherwise, be in breach of this new regulatory regime.

2. Cabinet has agreed to the Minister of Labour, Human Resource Development and Training amending the Workers' Rights (Prescribed Period) Regulations 2020 so as to extend to 30 June 2022, the prescribed period during which an employer shall not reduce the number of his workers either temporarily or permanently or terminate the employment of any of his workers. The main objective of the amendment is to continue preserving jobs and ensuring that, in sectors where the economy is picking up, recruitment of new workers is not done to the detriment of the workers already in employment.

3. Cabinet has taken note that the Minister of Finance, Economic Planning and Development would make the –

- (a) Economic Development Board (Invest Hotel Scheme) (Amendment) Regulations 2021;
- (b) Economic Development Board (Property Development Scheme) (Amendment) Regulations 2021; and
- (c) Economic Development Board (Smart City Scheme) (Amendment) Regulations 2021.

These Regulations implement, mainly, measures announced in the Budget Speech 2021/2022 and its Annex in relation to schemes administered by the Economic Development Board, namely the Invest Hotel Scheme, Property Development Scheme and Smart City Scheme.

4. Cabinet has taken note that the Minister of Finance, Economic Planning and Development would make the Social Contribution and Social Benefits (Contributions by Public Sector Employees) Regulations 2021 and the Income Tax (Amendment of Schedule) Regulations 2021. Following the implementation of the 2021 Report of the Pay Research Bureau and with a view to putting at par public sector employees with private sector employees, public sector employees would pay as from November 2021, their share of social contribution as follows -

- (a) 1.5 percent on basic salary not exceeding Rs50,000 per month; and
- (b) 3.0 percent on basic salary exceeding Rs50,000 per month.

The Social Contribution and Social Benefits (Contributions by Public Sector Employees) Regulations would bring the appropriate legislative amendments to implement this decision. The Regulations also make provision for employees of a statutory body which does not fall under the Pay Research Bureau to start paying their share of social contribution as from the date a salary review exercise becomes effective after November 2021. The Income Tax (Amendment of Schedule) Regulations 2021 provides for an allowance equivalent to the amount payable by the employee as social contribution, received by an employee from his/her employer to be exempt from income tax.

5. Cabinet has taken note that the Minister of Health and Wellness would make, under section 42 of the Medical Council Act, the Medical Council (Additional Qualifications) (Amendment) Regulations 2021, to enable the recognition and inclusion of medical postgraduate qualification obtained by a registered medical practitioner as additional qualifications in the register, following the recommendation of the Medical Council of Mauritius.

6. Cabinet has agreed to the signing of the revised 'Protocol on the Sale of Navigational Charts' now known as the 'Protocol on Sale of Navigational Products' between the Government of the Republic of Mauritius and the Government of the Republic of India to also cater for the sale of Electronic Navigational Charts of Mauritian waters. The existing protocol on the sale of navigational charts, signed between the Government of the Republic of Mauritius and that of the Republic of India in April 2009, spells out the modalities for the sale of nautical charts in paper format only. These charts are produced following hydrographic surveys carried out by the Mauritius Hydrographic Service of the Ministry of Housing and Land Use Planning and the Indian Naval Survey Ships, which are deployed once yearly in Mauritian waters.

7. Cabinet has agreed to the submission of the 5th Periodic Report of the State of Mauritius on the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment covering the period 2017 to 2021 to the Office of the High Commissioner for Human Rights. The Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment is a human rights treaty adopted by the General Assembly of the United Nations on 10 December 1984. It aims to prevent the use of torture and other forms of cruel, inhuman, or degrading treatment or punishment around the world.

8. Cabinet has taken note of the comments made by the Committee on Economic, Social and Cultural Rights in respect of the Follow Up Report to the International Covenant on Economic, Cultural and Social Rights. The Committee on Economic, Social and Cultural Rights examined the Follow Up Report to the Concluding Observations during its 70th session held from 27 September to 15 October 2021 and had recently communicated its assessment. The Human Rights Division of the Ministry of Foreign Affairs, Regional Integration and International Trade would request the relevant Ministries/Departments to take necessary remedial measures as appropriate or initiate policy decisions thereon.

9. Cabinet has agreed to the publication and official launching of the National Human Rights Action Plan Progress Report 2012-2020 in the second week of December 2021 in the context of the commemoration of the International Human Rights Day 2021. The Progress Report highlights the main achievements of the State of Mauritius under 10 objectives and 100 priority actions. These emanate from the recommendations of the various treaty bodies that Mauritius is a party to and has an obligation to submit State Reports. The Progress Report provides an overview of –

- (a) the legislation enacted to domesticate human rights in Mauritius;
- (b) the measures taken to strengthen the administration of justice, improve rule of law, ensure independence of the judiciary and enhance practices on the part of law enforcement authorities;

- (c) the policies implemented in respect of economic, social and cultural rights, and for the improvement of quality of life for the whole Mauritian population with emphasis for vulnerable groups;
- (d) the strengthening of the framework for national human rights; and
- (e) the capacity building programmes initiated to promote greater and better understanding of human rights.

10. Cabinet has taken note that a Memorandum of Understanding would be signed between the Economic Development Board (EDB) and the Zanzibar Investment Promotion Authority (ZIPA).

The Memorandum of Understanding has the following main objectives -

- (a) enhancing the bilateral investment relations between the EDB and the ZIPA, thereby developing reciprocal business cooperation between the two countries;
- (b) establishing a practical framework agreeable to both countries for cooperation with regard to investment and trade promotion;
- (c) strengthening institutional relations and capacity building through mutual cooperation;
- (d) maintaining a continuous working relationship between the two countries for the achievement of their common objective of promoting economic ties and ensuring a coherent approach to identify areas of comparative advantages, competence and complementarities; and
- (e) establishing a Joint Investment Committee which would be responsible for the preparation of an Action Plan to support the investment cooperation between the two countries.

11. Cabinet has taken note of the outcome of the 21st Meeting of the Mauritius-Seychelles Joint Commission of the Extended Continental Shelf which was recently held in Mauritius. The main outcomes of the discussions related, inter alia, to –

- (a) a proposal for exploratory fishing from Seychelles;
- (b) the drafting of the Strategic Plan 2023-2027;
- (c) a Multi-Client Seismic Survey;

- (d) a draft Memorandum of Understanding between the Coast Guard authorities of Mauritius and Seychelles;
 - (e) the setting up of four working groups for the implementation of Marine Spatial Planning; and
 - (f) the conduct of Marine Scientific Research.
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12. Cabinet has agreed to the dissemination of the Report of the Technical Committee on Medicinal Cannabis. A Steering Committee chaired by the Senior Chief Executive of the Ministry of Health and Wellness will be set up to look into the implementation of the recommendations in the Report. The Commission of Inquiry on Drug Trafficking, in 2018, recommended that a study be conducted jointly by the Ministry of Health and Wellness and the Ministry of Industry, Commerce and Consumer Protection together with local research institutes in collaboration with foreign research laboratories to determine the properties and tetrahydrocannabinol level of the locally grown cannabis. The study would also recommend whether local cannabis may be used for medicinal purposes. The Technical Committee on Medicinal Cannabis was chaired by Professor Bahorun.

13. Cabinet has taken note of the outcome of a “Request for Information for the Setting up of Renewable Energy Hybrid Facilities” launched by the Central Electricity Board with a view to gauging the market on the availability of Renewable Energy technologies, in the quest to achieve the 60 percent of Renewable Energy in the electricity mix by year 2030 and to substitute utilisation of coal by the same time frame, as well as the way forward. The Central Electricity Board would launch a Request for Proposals shortly.

14. Cabinet has taken note that the Central Electricity Board (CEB) would issue two General Notices on Electricity Tariff 110A and 215A, applicable mainly for socially vulnerable households and small businesses. The CEB introduced Tariff 110A in 2015 with a view to alleviating the financial difficulties faced by socially vulnerable households including those on the Social Register of Mauritius.

During the confinement period in 2020, the Tariff 110A was reduced by 20 percent to further assist those families who were in difficulty. The Tariff 215A was introduced to allow small commercial consumers to benefit from a reduction of 10 percent in their tariff of electricity as their businesses had suffered during the COVID-19 pandemic. These tariffs were made applicable up to 31 March 2021. The Tariffs 110A and 215A have been extended from 01 April 2021 to 30 November 2021. Given that the borders had now opened and economic activities were picking up, the relevant electricity prices under the above two tariff categories would be resumed to their pre-confinement 2020 rate.

15. Cabinet has taken note of the status regarding the phasing out of ex-CHA housing units containing asbestos. In December 2019, the Solid Waste Management Division of the Ministry of Environment, Solid Waste Management and Climate Change enlisted, for a period of 24 months, the services of a private contractor for the dismantling, removal and disposal of cemented asbestos sheets from 216 ex-CHA housing units. From December 2019 to mid-November 2021, a total of 118 housing units have been dismantled, out of which 69 were occupied and 49 unoccupied. Works have been delayed due to the COVID-19 pandemic and the ensuing two confinement periods. Six additional housing units would be dismantled by the end of the contract. As the current contract would expire in December 2021, a new bidding exercise would be carried out for the enlistment of a new service provider for a period of 24 months.

16. Cabinet has taken note that the Ministry of Environment, Solid Waste Management and Climate Change has recently acquired 15 units of portable and user-friendly smoke opacity metres to enable better control of exhaust emissions of diesel-powered vehicles and would sign a Memorandum of Understanding with relevant enforcing agencies in that context.

17. Cabinet has taken note of the status of drain projects being implemented by the different stakeholders and spearheaded by the Land Drainage Authority, under the National Flood Management Programme. In Budget Speech 2021/2022, Government announced the implementation of the National Flood Management Programme comprising 1,438 projects over the next five years. For the Financial Year 2021/2022, some 400 projects are expected to be implemented on site.

18. Cabinet has taken note of the situation of the COVID-19 pandemic prevailing across the world. Some 259.9 million cases have been reported globally, of which 235 million persons have been successfully treated.

With regard to Mauritius, as at 25 November 2021, there were 1,164 active cases of COVID-19, out of which 41 were admitted at the New ENT Hospital. Over the period 18 November to 24 November 2021, 122 deaths were attributed to COVID-19.

Cabinet has further taken note of progress in the COVID-19 Vaccination Programme, including the administration of the booster dose in the Republic of Mauritius. As at 25 November 2021, 922,805 persons had received a first dose of vaccine (representing 72.9 percent of the population). 889,442 persons had been fully vaccinated (representing 70.3 percent of the population). 77,789 persons had received a booster dose. 33,808 adolescents aged between 15 to 17 years had received a first dose of vaccine and 27,948 adolescents were fully vaccinated.

Cabinet has also taken note of the identification of a new COVID-19 variant (B.1.1.529) in South Africa and neighbouring countries and has agreed that strict sanitary measures be put in place in relation to passengers coming from South Africa, Namibia, Lesotho, Botswana, Eswatini and Zimbabwe, pending the suspension of all commercial passenger flights from South Africa to Mauritius with effect from Monday 29 November 2021. Repatriation flights will be organised and will be subject to strict sanitary protocols. In that connection, the Ministry of Health and Wellness will issue a communiqué outlining, inter alia, the sanitary measures being put in place.

19. Cabinet has taken note of the activities being organised by the Ministry of Health and Wellness in the context of World AIDS Day 2021, observed on 01 December. The theme for World AIDS Day 2021 is “End Inequalities. End AIDS. End Pandemics”. The activities would comprise the launching of a campaign on HIV Screening and Counselling Day around the island on 01 December 2021 to allow the maximum number of persons to know their status. Sensitisation and awareness programmes would be carried out on TV and radio.

Virtual HIV prevention sessions by a psychologist would be held for adolescents and young adults with focus on their vulnerabilities where sexuality is concerned. The NGOs “Prévention, Information et Lutte contre le Sida” (PILS) and “Aides, Info, Liberté, Espoir et Solidarité” (AILES) would be carrying out HIV testing and counselling in the community across the island, along with the health service providers of the AIDS Unit of the Ministry of Health and Wellness.

20. Cabinet has taken note of the outcome of the participation of the Minister of Environment, Solid Waste Management and Climate Change in the 26th Meeting of the Conference of Parties (COP 26) to the United Nations Framework Convention on Climate Change (UNFCCC) which was held from 31 October to 13 November 2021 in Glasgow, Scotland. The Minister attended the World Leaders Summit along with the Prime Minister. The Mauritius delegation attended various formal and informal sessions under the Conference of Parties to the UNFCCC (COP), the Conference of Parties serving as the meeting of Parties to the Kyoto Protocol and the Conference of Parties serving as the meeting of Parties to the Paris Agreement and the COP Subsidiary Bodies namely, Subsidiary Bodies for Scientific and Technological Advice and the Subsidiary Body for Implementation which culminated into the Glasgow Climate Pact.

The wide-ranging set of decisions, resolutions and statements that constitute the outcome of COP26 is the fruit of intense negotiations. The package that has been adopted, is a global compromise that reflects a delicate balance between the interests and aspirations of the 197 Parties to the core instruments on the international regime that governs global efforts against climate change. A key outcome is the conclusion of the Paris Rulebook. An agreement was reached on the fundamental norms related to Article 6 on carbon markets, a mechanism to reduce emission of greenhouse gases by putting a price on the carbon, which would make the Paris Agreement fully operational.

The Minister also participated in the Powering Past Coal Alliance event. He acted as panellist in the Coalition for Disaster Resilient Infrastructure side event for the operationalisation of the Infrastructure for Resilient Island States.

21. Cabinet has taken note of the constitution of the Price Observatory Committee with Dr (Mrs) Rooba Yanembal Moorghen as Chairperson.

22. Cabinet has taken note of the reconstitution of the Board of the Tourism Employees Welfare Fund with Mr Abdool Rackib Jeewoth as Chairperson.

23. Cabinet has taken note of the composition of the Road Development Authority (RDA) Board following the amendments made to the Road Development Authority Act in the Finance (Miscellaneous Provisions) Act 2021. The RDA Board is chaired by Mr Louis Joël Yves José Patron.

24. Cabinet has taken note of the nomination of Mr Nazir Bheekhun as Chairperson of the Real Estate Agent Authority Board.
