

HIGHLIGHTS OF CABINET MEETING – FRIDAY 01 APRIL 2022

1. Cabinet has agreed to the introduction of the Variable Capital Companies Bill into the National Assembly. The object of the Bill is to provide for the legal framework for the setting up and operation of variable capital companies and ancillary matters. The Variable Capital Companies Bill, inter alia, provides for –

- (a) limitation of the objects of a variable capital company to investment funds and incidental matters;
- (b) provisions relating to continuation of a company as a variable capital company;
- (c) incorporation of a sub-fund or Special Purpose Vehicle which opts for legal personality;
- (d) authorisation of a variable capital company as a variable capital company Fund by the Financial Services Commission;
- (e) matters pertaining to insolvency, receivership and administration;
- (f) segregation of assets and liabilities between sub-funds and Special Purpose Vehicles;
- (g) shares and reduction of share capital;
- (h) matters pertaining to winding up; and
- (i) the exclusion of specific provisions of the Companies Act with respect to variable capital companies.

2. Cabinet has agreed to drafting instructions being conveyed to the Attorney General's Office for amendments to be brought to the Environment Protection Act. A series of recommendations for amendments to the Environment Protection Act have been made and are centred around the following themes –

- (a) Sustainable Development – adoption of a new framework that would underpin the transformative process towards sustainable development and the transition to a green economy;
- (b) *Observatoire de l'Environnement* – establishment of an observatory to collect and disseminate environmental data and key information while also supporting evidence-based policy planning and implementation;

- (c) Environmentally Sensitive Areas – introduction of a mechanism to ensure better management and protection of essential ecosystems which act as buffers against calamities like erosion, floods and extreme temperatures;
- (d) Strategic Environmental Assessment – introduction of a framework requiring the integration of environmental considerations into policies, plans and programmes right from the planning stage;
- (e) Oil Spill and Environmental Emergencies;
- (f) Enforcement and Compliance Mechanisms – the enforcement and compliance mechanisms would be strengthened for a more effective and efficient application of environmental legislation; and
- (g) the introduction of appropriate provisions in the Environment Protection Act to give furtherance to the endeavour of Government to make of Mauritius a plastic-free country within the nearest possible delays.

3. Cabinet has agreed to drafting instructions being conveyed to the Attorney General's Office for amendments to be brought to the Beach Authority Act. The key amendments being proposed are, inter alia, -

- (a) to broaden the functions of the Authority in regard to -
 - (i) the preparation and implementation of Beach Management Plans and the demarcation of designated areas for specific purpose within a public beach to effectively manage those areas and ensure proper enforcement of all activities carried out on public beaches;
 - (ii) the construction, lease and/or renting of commercial premises and tuckshops; and
 - (iii) enforcement of Regulations under the Act.
- (b) to review the composition of the Board;
- (c) to amend the definitions of Minister and public beach; and
- (d) to review the purpose of the Act to provide for a legal framework for the management and control of public beaches in the Republic of Mauritius, including Rodrigues and other outer islands.

4. Cabinet has taken note that the Income Tax (Amendment) Regulations 2022 would be promulgated. The Regulations would -

- (a) define expenditure on specialised software that would be eligible to the 200 percent deduction from taxable income, an incentive introduced in the Finance (Miscellaneous Provisions) Act 2021;
- (b) specify the core income generating activities of an investment dealer following the extension of the scope of the partial exemption regime in the Finance (Miscellaneous Provisions) Act 2021; and
- (c) correct a number of cross-referencing in the main Regulations following the renumbering of a number of items in the Second Schedule to the Income Tax Act.

5. Cabinet has taken note that the following Regulations would be promulgated –

- (a) Income Tax (Construction of Housing Estates) Regulations 2022;
- (b) Land (Duties and Taxes) (Construction of Housing Estates) Regulations 2022; and
- (c) Registration Duty (Construction of Housing Estates) Regulations 2022.

The construction of housing estate scheme provides exemption from land duties and taxes on the construction of housing units for middle-income families. Under the scheme, no land transfer tax and registration duty is payable on the acquisition of land by a promoter for a project, and on the sale of a residential unit by the promoter.

The COVID-19 pandemic and the two confinement periods have led, for some projects, to delays in implementation and promoters are experiencing difficulties to meet the set deadline. The Regulations would grant an additional six months for promoters to complete construction of their projects under the scheme and sell the residential units, namely –

- (a) construction of projects should be completed by 30 June 2022 instead of 31 December 2021; and
- (b) the residential units should be sold on or before 31 December 2022 instead of 30 June 2022 to benefit from the tax and duty exemption.

6. Cabinet has taken note that the Land (Duties and Taxes) (Amendment of Schedule) Regulations 2022 would be promulgated. The 12,000 social housing project is being implemented by the New Social Living Development Ltd (NSLD), a wholly-owned subsidiary of the National Housing Development Co. Ltd. In locations where no State lands are available, decision has been taken to allow the NSLD to acquire private lands to implement the project.

Presently, when Government acquires land for its projects including social housing, no registration duty is payable. This exemption is being extended in the regulations to land acquired directly by the NSLD. The Land (Duties and Taxes) (Amendment of Schedule) Regulations 2022 would accordingly exempt the NSLD from payment of registration duty on the acquisition of land for the 12,000 social housing project.

7. Cabinet has agreed to Mauritius signing the Double Taxation Avoidance Agreement (DTAA) with the Hong Kong Special Administrative Region of the People's Republic of China. The Agreement is in line with the OECD and UN Model Agreements on Avoidance of Double Taxation. It also complies with the OECD/G20 Base Erosion and Profit Shifting (BEPS) recommendations.

The DTAA would not only clarify the taxing rights of each country on income covered by the Agreement but would also –

- (4) provide certainty to investors in their dealings with Mauritius or Hong Kong, as the case may be;
- (b) create a conducive environment for greater cross-border investment flows between the two countries;
- (c) establish a framework for exchange of information between the tax authorities of Mauritius and Hong Kong, with a view to combatting tax evasion and other tax malpractices; and
- (d) provide a mechanism to taxpayers for the resolution of tax disputes.

8. Cabinet has agreed to the Civil Status Division and the Mauritius Police Force each signing a Memorandum of Understanding with the Bank of Mauritius and the Ministry of Information Technology, Communication and Innovation for the purpose of sharing certain information on citizens of Mauritius through the InfoHighway platform.

In 2018, the Bank of Mauritius Act was amended to include a new section 52A which provides for the establishment of a Central “Know Your Customer” (CKYC) Registry so as to reduce the burden, time and cost on both the customers and financial service providers in carrying out multiple KYC document verifications. The Bank of Mauritius has sought the collaboration of the Civil Status Division so as to access certain information contained in its Central Population Database through the InfoHighway, and the collaboration of the Mauritius Police Force so as to have access to certain information held on its database of driving licence records, through the same platform.

9. Cabinet has agreed to the Ministry of Agro-Industry and Food Security signing a Memorandum of Understanding with the Mauritius Prisons Department so as to develop a framework of cooperation for the establishment of a sustainable system for the production of propagating materials of fruit plants. The Mauritius Prisons Department intends to embark on a new “Food Security in Prisons” project. Training would also be provided on different propagation techniques of fruit trees to the Prison Officers who would subsequently train the prisoners.

10. Cabinet has taken note of the arrangements made by the Ministry of Social Integration, Social Security and National Solidarity for the anti-influenza vaccination exercise for the year 2022. The policy of the Ministry is to provide vaccines for –

- (a) elderly persons aged 60 and above;
- (b) children with disabilities attending specialised schools; and
- (c) all inmates of charitable institutions and private licensed homes.

11. Cabinet has taken note of the last report submitted by the Mauritius Cane Industry Authority on sugar cane Crop 2022. According to the report, the above normal rainfall, lower maximum temperature and below normal sunshine that prevailed during the month of February 2022 did not favour optimum crop growth. Cane elongation and stalk height over the island during that month were inferior and stood at 78 percent and 83 percent of the normal respectively. Should favourable climatic conditions prevail until the end of the growing season, the deficit in growth may be recovered, if growers complete all recommended cultural practices such as application of fertiliser.

12. Cabinet has taken note that a delegation of the Rodrigues Regional Assembly led by Mr Johnson Roussety, the new Chief Commissioner, paid a courtesy call on the Prime Minister on 30 March 2022.

13. Cabinet has taken note of the re-election of Mauritius to the United Nations Commission on International Trade Law (UNCITRAL) for the term 2022-2027, following election that took place on 15 March 2022 at the UN Headquarters in New York. The UNCITRAL is the core legal body of the UN system which aims at modernising and harmonising rules on international trade law and business.

14. Cabinet has taken note of a proposal made by Mrs Ana Brian Nougrères, the United Nations Special Rapporteur on the right to privacy, to undertake a country visit to Mauritius. The Special Rapporteur on the right to privacy is mandated by the United Nations to review government policies and laws on the interception of digital communications and collection of personal data, identify actions that intrude on privacy without compelling justification, assist governments in developing best practices to bring global surveillance under the rule of law, articulate private sector responsibilities to respect human rights and help to ensure national procedures and laws are consistent with international human rights obligations.

15. Cabinet has taken note that the Cyber4Dev African Cyber Resilience Conference would be held in Mauritius from 25 to 27 April 2022, in collaboration with Cyber4Dev Team. The Cyber4Dev Team, funded by the European Union, is a Programme designed to protect public and private enterprises across countries in Asia and Africa against cyber threats. The programme is meant to, inter alia, increase the cyber resilience of countries. The objectives of the Cyber4Dev African Cyber Resilience Conference are to, inter alia, –

- (a) bring together Cyber4Dev partner countries in the African region and to enable them to share ideas with a view to facilitating successful networking and developing co-operation for years to come; and
- (b) showcase Mauritius' strides in cybersecurity development.

The event would be held on a hybrid model and in accordance with sanitary protocols.

16. Cabinet has taken note of the activities being organised by the Ministry of Health and Wellness for World Health Day 2022, observed on 07 April. The theme for this year is “Our Planet, Our Health”. Various activities would be organised at Nouvelle France Multi-Purpose Complex on Thursday 07 April 2022, including -

- (a) screening and counselling for Non-Communicable Diseases;
- (b) exhibition on healthy lifestyle and healthy diet with the collaboration of the relevant stakeholders;
- (c) display of food plate models on healthy eating; and
- (d) yoga demonstrations to sensitise the general public on the benefits of yoga and its contribution in building a healthier society

The Ministry of Health and Wellness would also launch a Mass Media Campaign on Synthetic Drugs and carry out other sensitisation campaigns on Radio and TV.

17. Cabinet has taken note of the opening of an Autism Day Care Centre by the Ministry of Health and Wellness to celebrate the World Autism Awareness Day, observed on 02 April. The theme for this year is “Inclusive Quality Education for All”.

The Ministry of Health and Wellness would proceed with the opening of a first Autism Day Care Centre at Ex-Triolet Area Health Centre under the aegis of SSRN Hospital on 01 April 2022. The multidisciplinary Centre would provide psychological support to children and adults living with Autism Spectrum Disorders as well as their caregivers. The Centre would have an Occupational Therapist who would help increase their autonomy and equip them with daily life skills. The Centre would also have a Speech Therapist to help people with Autism Spectrum Disorders develop their social and communication skills. Other Autism Day Care Centres under all other regional hospitals would follow.

18. Cabinet has taken note of the performance of the Mauritian Cycling Team in the African Cycling Championships held in Egypt. On the medals score-board, Mauritius ranked fifth with four medals (one gold, two silver and one bronze), namely –

- (a) in the Mixed Relay Elite, the Gold Medallists were -
 - (i) Kimberley Lecourt de Billot;
 - (ii) Raphaëlle Lamusse;
 - (iii) Lucie Lagesse;

- (iv) Christopher Lagane;
 - (v) Alexandre Mayer;
 - (vi) Aurélien de Comarmond;
- (b) in the team Trial Elite/U23 Women, the Silver Medallists were -
- (i) Kimberley Le Court De Billot;
 - (ii) Raphaëlle Lamusse;
 - (iii) Lucie de Marigny Lagesse;
- (c) in the Road Race Elite Women, the Silver Medallist was Kimberley Le Court De Billot; and
- (d) in the Junior Road Race, the Bronze Medallist was Samuel Quevauvilliers.

19. Cabinet has taken note of the situation of the COVID-19 pandemic prevailing across the world. Some 487.2 million cases have been reported globally, of which 422.4 million persons have been successfully treated.

With regard to Mauritius, as at 30 March 2022, there were 1,136 active cases of COVID-19, out of which seven were admitted at the New ENT Hospital. Over the period 24 March to 30 March 2022, nine deaths were attributed to COVID-19.

Cabinet has also taken note of progress in the COVID-19 Vaccination Programme, including the administration of the booster dose in the Republic of Mauritius. As at 31 March 2022, 1,005,039 persons had received a first dose of vaccine (representing 79.4 percent of the population). 970,382 persons were fully vaccinated (representing 76.6 percent of the population). 596,638 persons had received a booster dose (representing 47.1 percent of the population). 76.3 percent of adolescents aged 12 to 17 years had received a first dose of vaccine and 69.4 percent had received a second dose.

20. Cabinet has taken note of the status of the digitalisation of the COVID-19 vaccination data capture. To-date, 95.4 percent of entries have been completed for the first dose, 97.7 percent for the second dose and 85 percent for the third dose.

So far, 435,043 persons have downloaded their digital vaccination pass on BeSafe Moris and 1,717 on MoKloud.

21. Cabinet has taken note of the outcome of the recent participation of the Minister of Land Transport and Light Rail, Minister of Foreign Affairs, Regional Integration and International Trade in the Tokyo International Conference on African Development (TICAD) Ministerial Meeting which was held virtually. The meeting was held in the context of preparations for the TICAD Summit which would be held in Tunisia in August 2022.

Discussions were held on priority issues on African development, based on three pillars, namely Economy, Society and Peace and Stability. In his intervention on human security, the Minister highlighted the challenges faced by the continent to address a myriad of security issues such as drug trafficking, illegal fishing, health risks and natural disasters. He emphasised health security as the most pressing challenge in Africa and invited the Government of Japan to facilitate the establishment of the headquarters of the African Medicine Agency, which aims at enhancing the capacity of African countries to access medical products.

22. Cabinet has taken note of the outcome of the recent mission of the Minister of Finance, Economic Planning and Development to Dubai, Paris and Brussels. In Dubai, the Minister participated in the National Day celebration events at the Dubai Expo on 15 March 2022. He had, inter alia, meetings with the Chief Commercial Officer of Emirates Airline and Chairman of Emaar Development, as well as the Chairman of the Dubai Chamber of Commerce and Industry and Chairman of the Mashreq Bank.

In Paris, the Minister had meetings with -

- (a) the Director-General of the *Institut National de la Statistique et des Etudes Economiques (INSEE)* and discussed the need for an enhanced collaboration between Statistics Mauritius and INSEE to enable Statistics Mauritius to better collect, analyse and report on key socio-economic statistics;
- (b) the *Directeur Général Délégué Export* of Business France which is the French government agency responsible for inward investment, exports and international business development promotion in France;
- (c) the Chairman of the Task Force on Sustainable Cities, and Vice-Chairman of the Africa Committee of MEDEF International. MEDEF is the leading network of French business firms and entrepreneurs in France with more than 173,000 members; and
- (d) the Secretary General of the OECD and thanked him for the support extended by the OECD to Mauritius for exiting the FATF List of jurisdictions under increased monitoring and the EU List of High Risk Third Countries.

In Brussels, the Minister had a meeting with EU Commissioner for Financial Services, Financial Stability and Capital Markets and thanked the Commissioner for the support provided by the EU Commission, and its Member States for Mauritius to exit from the FATF and the EU lists.

23. Cabinet has taken note of the outcome of the recent mission of the Minister of Financial Services and Good Governance to Europe with a view to leveraging on the new status of the Financial Services Sector and reiterate Government's commitment to adhere to the Financial Action Task Force standards and sustain the progress already started in improving the Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) regime and maintain Mauritius as a jurisdiction of choice and of repute. The objectives of the mission were namely, to –

- (a) expand synergies with regulatory bodies in advanced jurisdictions;
- (b) engage with trend setting Development Finance Institutions to convey the message that Mauritius is and will remain a trustworthy jurisdiction to continue working with; and
- (c) position Mauritius with high-calibre and high-profile investors to grow their businesses or to consider setting up new structures and use Mauritius as a platform to Africa and the rest of the world.

During the mission, a number of roundtable sessions and targeted one-to-one meetings were organised. These were attended by High Net Worth Individuals, prospective investors and key professionals, including tax advisors, wealth and asset managers, and law practitioners. The sessions focused on positioning Mauritius as a jurisdiction of choice for businesses wishing to relocate or to use the Mauritian jurisdiction for structuring their investments.

24. Cabinet has taken note of the outcome of the virtual participation of the Minister of Information Technology, Communication and Innovation as panellist in a Ministerial Round Table during the Cyber Security Summit - Lomé 2022 held in Togo. The Summit was jointly organised by the Togolese Republic and the United Nations Economic Commission for Africa (UNECA). The aim of the event was to discuss public-private partnership approach, potential synergies between the national Computer Emergency Response Team and the Security Operation Centre as well as the financial engineering involved in creating a national cyber security programme.

The overall objective of the meeting was to encourage African Heads of State and Government to treat cybersecurity as a top priority and to secure the commitment of countries to implement the appropriate national strategies, policies, legislation and regulations to guarantee the security of its citizens, businesses and governments in cyberspace.

25. Cabinet has taken note of the composition of the Medical Council of Mauritius for period April 2022 to March 2025, following the election of members of the Council on 19 March 2022.

26. Cabinet has taken note of the reconstitution of the Executive Council of the Tamil Speaking Union with Mr Egambrum Nagapen as President.
