“The Only True and Sustainable Prosperity is shared Prosperity”

Joseph E. Stiglitz
INTRODUCTION

Mr Speaker, Sir,

1. I move that the Appropriation 2022-2023 Bill No. IX of 2022 be read a second time.

2. I come before this august Assembly for the third Budget of this mandate.

3. As time goes by, as crises emerge, and as hope blossoms, we are shaping History, together.

4. Let us take a moment to reflect on what happened just two years back, when our lives were shattered.

5. Faced with the abyss of the unknown, we should have sunk.

6. But our people have pulled together, adapting themselves in a spirit of exemplary Mauritian unity.

7. With strength and pride, we showed greatness.

8. By refusing to bow down, Mauritians have stood out in the face of adversity.

9. For this, we would like to say thank you.

10. Thank you for your trust.
11. Thank you for your patience.

12. Thank you for your resilience.

Mr. Speaker, Sir,

13. We have experienced a never imagined before contraction in our GDP of 15 percent in 2020.

14. Yet, today, we are in a much better shape.

15. This government, under the guidance of the Honourable Prime Minister, did not hesitate to deploy a historic response of 32 percent of GDP for the population.

16. As a fair and caring Government, our response could only be one of solidarity.

17. It is all about people, and people above all.

18. Because solidarity is efficiency.

19. To recall, this Government has:

   (a) Introduced the Wage Assistance Scheme and the Self-Employed Assistance Scheme which benefitted 542,000 workers and self-employed to preserve employment, representing Rs 27.3 billion;

   (b) Paid the pension at 9,000 rupees to some 302,000 beneficiaries to preserve the purchasing power of the elderly and the vulnerable;
(c) Subsidised essential products to the tune of Rs 5.2 billion;

(d) Increased the minimum wage from Rs 10,200 to Rs 11,075;

(e) Paid the salary compensation of employees of SMEs;

(f) Provided a moratorium on the repayment of capital of loans; and

(g) Allocated Rs 100 billion to support businesses.

20. Our response package has enabled us to avoid massive lay-off of 100,000 people, economic bankruptcy and social chaos.

21. We have wisely leveraged on our inherent strengths to protect our socio-economic structure and provide the momentum for our recovery.

22. Today, the results are unquestionable.

Mr. Speaker, Sir,

23. According to IMF forecasts, our GDP will exceed its pre-pandemic level, reaching Rs 520 billion by 2022 compared to Rs 465 billion in 2021.

24. Unemployment is expected to go down to 7.8 percent from 9.1 percent a year ago.

25. Exports of goods and services will reach Rs 169 billion from Rs 141 billion in 2021.
26. The investment rate will increase to 21.2 percent of GDP from 19.2 percent in 2021.

27. Foreign Direct Investment will exceed Rs 20 billion from Rs 15.4 billion last year.

28. Tourist arrivals will reach 1 million in 2022 from 179,780 in 2021.

29. Public sector debt will be on a downward trend from 96.1 percent in June 2021 to 87.4 percent in June 2022.

30. Government debt will fall from 87.1 percent in June 2021 to 77.3 percent in June 2022.

31. These figures prove our economic policies right.

32. And we will continue in this direction.

Mr Speaker, Sir,

33. Supply chain disruptions, the war in Ukraine and the recent lockdowns in China are impacting prices globally.

34. The Bank of Mauritius expects inflation to be at 8.6 percent in 2022.

35. Three quarters of which are due to our exposure to global shocks.

36. These inflationary pressures require us to act promptly.
37. To anchor inflation expectations, the Monetary Policy Committee of the Bank of Mauritius has increased the Key Repo Rate cumulatively by 40 basis points since March this year.

38. On our side, we are deploying appropriate and unprecedented policies to support the purchasing power of Mauritian.

39. Thus, this Budget is about:

   (a) Strengthening our Economic Growth and Resilience to Future Shocks;

   (b) Accelerating our Transition to a Sustainable and Inclusive Development Model; and

   (c) Investing in Our People.

40. Mr Speaker, Sir, Budget 2022 - 2023 is written With the People, For the People.

STRENGTHENING ECONOMIC GROWTH AND RESILIENCE TO FUTURE SHOCKS

41. It is only with a stronger economic growth that we will drive our future.

42. With more jobs, higher skills, higher production, greater investment, lower inflation and lower debt.

43. To this end, ‘Maurice Stratègie’, an economic research and planning bureau to formulate socio-economic policies will be set up.
Mr Speaker, Sir,

44. Covid-19 and the conflict in Ukraine are powerful reminders that self-sufficiency is vital.

45. No one would have conceived that in the 21st century, the world would be apprehensive of food supply shortages.

46. For us as a nation, producing more is no longer just an option.

**Agro-Industry**

47. Today, we rely on imports for more than 75 percent of our food requirements.

48. It is a market worth Rs 37 billion, representing 8 percent of GDP.

49. Higher levels of self-sufficiency not only mean greater food security, but also more investment, more jobs and higher growth.

**Fruits and Vegetables**

50. We will incite planters to boost local production of fruits and vegetables by: -

   (a) Providing a grant of 50 percent, up to a maximum of Rs 500,000, for the purchase of a sheltered farm for hydroponics;

   (b) And extending it for the purchase of a second sheltered farm;
(c) Increasing the subsidy on Onion, Potato, Garlic and Bean seeds sold by the Agricultural Marketing Board (AMB) from 50 percent to 75 percent; and

(d) Introducing a Minimum Guaranteed Price, for planters, of Rs 33,000 per tonne for onions, Rs 38,000 per tonne for potatoes and Rs 50,000 per tonne for beans.

51. We will further encourage them to bring back abandoned land under cultivation through a “Crop Replantation Fund” at the DBM at an annual preferential rate of 2.5 percent.

Mr Speaker, Sir,

52. The Development Bank of Mauritius (DBM) will invest in 2 food security clusters at a cost of Rs 200 million each, namely:

(a) An agro-processing park over an area of 5,000 square metres at Henrietta; and

(b) A fruit processing cluster at Rivière du Rempart with units of up to 100 square metres for some 50 SMEs.

53. To further support fruit and flower growers, we will provide:

(a) A grant of 50 percent up to a maximum of Rs 500,000, for the setting up of fruit ripening facilities, and

(b) A maximum grant of Rs 100,000 for procurement of planting materials.
**Tea Sector**

54. To accelerate the re-emergence of the tea sector:

   (a) The winter allowance is being increased from Rs 1.50 to Rs 2.00 per kg;

   (b) Rs 6 million is being provided to rehabilitate roads and build appropriate drainage systems in tea plantations at Nouvelle France, Grand Bois and Bois Cheri; and

   (c) 10,000 tea plantlets will be provided at a subsidised cost of Rs 10 per unit.

**Apiculture**

55. We also have the potential to reduce our dependency on import of honey, which accounts for 90 percent of our consumption. In this respect:

   (a) A subsidy of Rs 500 per Bee queen will be provided to beekeepers up to a maximum of 10 queens;

   (b) A one-off grant of Rs 150,000 per beekeeper will be provided to secure the Bee Keeping zones;

   (c) AMB will import beeswax in bulk and re-sell to bee keepers at an affordable price;

   (d) The scheme for acquisition of CCTV camera will be extended to bee honey producers; and

   (e) New mellifluous plants will be introduced to enable year-round honey production.
Mr Speaker, Sir,

56. We will support our planters in the face of a surge in prices of fertilisers and seeds.

57. We will help them transition to locally produced and sustainable inputs.

(a) Rs 75 million is being provided to registered planters to cover 50 percent of their cost of fertilisers;

(b) A subsidy of 75 percent will be provided on the purchase of liquid fertilisers, bio-fertilisers and composts produced by cooperatives;

(c) Planters and cooperatives will be eligible to a subsidy of 50 percent up to a maximum of Rs 500,000, on the purchase of equipment for composting; and

(d) A Micro Propagation and Seed Production scheme is being introduced whereby seed producers will benefit from a grant of 50 percent of their cost up to a maximum of Rs 500,000.

58. We also need to support the transformation of the sector through mechanisation, innovation and sustainability.

59. To finance this Agri-Transformation Programme, the Industrial Finance Corporation of Mauritius Ltd (IFCM) will offer:

(a) A preferential lease of 2.5 percent to Cooperatives for the purchase of mini-tractors; and

(b) Leasing facilities of up to Rs 25 million with an annual interest rate of 3.5 percent.
60. An Integrated Modern Agricultural Morcellement Scheme on a plot of land exceeding 2 arpents will be introduced to encourage innovative agricultural practices with the following incentives:

(a) An 8-year tax holiday on income; and

(b) An exemption from payment of Registration Duty.

61. In addition, developers, under the scheme, will be allowed to convert up to 15 percent of that land for residential or commercial use and be exempted from payment of land conversion tax.

62. An 8-year income tax holiday will be granted to planters engaged in sustainable agricultural practices registered with the Economic Development Board (EDB).

Sugar Sector

63. Mr. Speaker, Sir, in the last budget, several initiatives were announced to support sugar cane planters, including a framework for biomass.

64. To support small sugarcane planters and ensure a fair and equitable distribution of proceeds from sugar cane cultivation, Government will:

(a) Maintain the minimum guaranteed price of Rs 25,000 per tonne for planters producing up to 60 tons of sugar;

(b) Continue to pay the premium to the Sugar Insurance Fund Board in respect of those producing less than 60 tons of sugar; and

(c) Waive CESS in respect of crop 2022.
65. To encourage sugar planters to renew some 10,000 hectares of crops: -

(a) The grant under the Cane Replantation Scheme will be increased by 43 percent from Rs 35,000 to Rs 50,000 per arpent; and

(b) A “Cane Replantation Revolving Fund” will be introduced by the DBM to provide loans at an annual preferential rate of 2.5 percent.

66. Those who want to bring back abandoned land into cultivation will also be eligible under this Scheme.

Livestock Sector

Mr Speaker, Sir,

67. The Livestock industry has an important role in our food security strategy for meat and dairy production locally.

68. We will support our farmers and breeders to produce more across the island. To this end: -

(a) The DBM will invest Rs 200 million in 5 Livestock zones at Henrietta, Salazie, Mare-d’Albert, Petit-Merlot, and Ex-Tea Belt Road.

(b) We are further increasing the subsidy on animal feed to Rs 10 per kilogram.

(c) The Cattle Breeding Scheme is being extended to importers of cattle.

(d) A grant of Rs 15,000 will be provided to breeders to purchase calves of less than 1 year.
69. Under the Zero Budget Natural Farming Scheme, Rs 100,000 will be provided to cooperatives for the purchase of cows and construction of cow sheds.

70. We are also providing a 30 percent subsidy on the purchase of equipment for production of locally produced pasteurized milk.

71. For pig breeders: -

   (a) Rs 5 million is provided for the extension of artificial insemination facilities; and

   (b) Rs 15 million is earmarked for setting up of waste treatment facilities at Bassin Requin and St Martin.

72. We will introduce a Goat Farming Scheme for cooperatives for the purchase of goats and construction of sheds up to a maximum of Rs 200,000.

73. Finally, a “Salon de L’Agriculture” will be organised to promote Mauritian agriculture.

**Blue Economy and Fisheries**

Mr Speaker, Sir,

74. Two-thirds of our country’s fish consumption are today imported.

75. We have the potential to drastically reduce our reliance on imports.

76. For this to happen, we need to optimize on our resources.
77. We are providing: -

(a) Rs 10 million for an additional hatchery at the Albion Fisheries and Research Centre to increase the production of fingerlings by 100,000 annually; and

(b) Rs 35 million to carry out a stock assessment on the Saya de Malha bank to identify small pelagic species for local consumption.

78. To improve the safety of fishers and surveillance in our Exclusive Economic Zone, with the support of the EU, we will acquire:

(a) 2,000 handheld VHF radios to be used by artisanal fishers; and

(b) Two rapid intervention patrol boats.

79. For safer navigation in lagoons: -

(a) Marker buoys will be installed in some fifty boat passages;

(b) The boat passage at Le Morne will be extended; and

(c) Further dredging will be conducted at Grand River South East, Mahebourg and Souillac.

80. Seven Fish Aggregating Devices will be replaced around the island.

81. The grant for acquisition of semi-industrial fishing vessels by registered cooperatives is being increased from Rs 4 million to Rs 6 million.
82. These cooperatives will also benefit from leasing facilities offered by the IFCM Ltd.

83. Six barachois will be made available for the production of crabs and shrimps.

84. Furthermore: -

(a) 4 sites will be allocated for off-lagoon aquaculture and legislation will be amended accordingly; and

(b) A new concession framework will be introduced in the Maritime Zones Act to allow for in-lagoon pearl oyster and algae culture.

85. For small fishers: -

(a) 500 additional fishermen cards will be issued;

(b) Rs 5,000 per fisher will be provided for the purchase of materials to construct fish traps; and

(c) Financial assistance for the purchase of hooks will be maintained.

86. We are increasing the daily Bad Weather Allowance for fishers from Rs 475 to Rs 575.

Mr Speaker, Sir,

87. This year, we are mobilising some Rs 3 billion for our farmers, planters, breeders and fishers to achieve our objectives of food security in the medium term.
Manufacturing

88. The manufacturing sector, the largest contributor to GDP, is central in our plan for a stronger and more resilient future.

89. The sector’s recovery has been one of the fastest, with a growth rate of nearly 11 percent in 2021.

90. And export of goods increased by 17 percent.

91. We will continue to support the expansion of this sector by: -

   (a) Giving due recognition to locally manufactured products; and

   (b) Encouraging exports of Mauritian goods.

Mr Speaker, Sir,

92. First, to promote locally manufactured products and encourage a buy local culture:

   (a) The Virtual Exhibition Platform for locally manufactured goods at the EDB will be operational as from October 2022;

   (b) A “Semaine de l'Industrie Locale” will be organised to promote the “savoir-faire” of Mauritian enterprises; and

   (c) EDB will identify products to obtain geographical indication and its label.

93. Second, Mr Speaker, Sir, I am announcing a series of measures to maintain the incredible momentum in exports.
94. The Freight Rebate Scheme (FRS) and the Trade Promotion and Marketing Scheme (TPMS) will be extended up to June 2023.

95. Furthermore, SMEs will benefit from the Freight Rebate Scheme on the South African market.

96. Exporting agents of locally manufactured products will also be eligible to the Trade Promotion and Marketing Scheme (TPMS).

97. We will maintain the 50 percent reduction in port charges on exports.

98. Moreover, the SME International Fairs Refund Scheme will be opened to freeport operators.

99. To support our industries in exporting to the region, we will charter two regional feeder vessels.

100. Phase 1 “La Route de l’Inde” will start in September 2022 and service the South Asian route including India, Sri Lanka and Seychelles.

101. Phase 2 “La Route de l’Afrique Orientale” will be launched in November 2022 and service the Eastern African countries notably Madagascar, Tanzania, and Kenya.

**Construction**

Mr Speaker, Sir,

102. Our country is currently engaged in significant investments for the construction of social housing, drains and other infrastructure projects.
103. In addition, we have a private sector investment pipeline of more than Rs 200 billion under facilitation by the EDB.

104. The industry needs to reinforce its capacity and improve the skills of its workforce.

105. To this end, a Construction Industry Training Council (CITC) is being set-up.

106. Moreover, the Construction Industry Development Board (CIDB) and the Building Control Advisory Council (BCAC) will be merged into the Construction Industry Authority.

107. To improve competitiveness of local construction companies: -

   (a) Public contracts below Rs 20 million will be reserved for small contractors;

   (b) Government will reinstate the margin of preference for local contractors; and

   (c) DBM Ltd will offer a loan facility of up to Rs 25 million at a concessional rate of 3.5 percent per annum.

108. The EDB will also introduce a Transit Oriented Scheme (TOS) to create vibrant, walkable and mixed-use areas within a radius of 100 metres of metro stations. Under the Scheme, property developers: -

   (a) will be exempted from payment of registration duty on lease or acquisition of land to develop an approved project; and

   (b) will be eligible for accelerated annual allowance on “green technology equipment” expenditure.
Mr Speaker, Sir,

109. The tourism sector is fast recovering.

110. We are confident that we will achieve pre-pandemic figures in the tourism sector in the next financial year, that is nearly 1.4 million tourists.

111. Both the average spending per tourist and the length of stay in Mauritius have increased.

112. This shows that Mauritius is, and remains, a destination of choice for travellers.

113. To support the recovery, we are increasing the marketing budget of the MTPA by more than 10 percent from Rs 360 million to Rs 400 million to consolidate existing markets, tap into new opportunities and niche markets.

114. To accommodate ultrahigh net worth passengers, personalized facilities will be offered by Airport Holdings Ltd.

115. The services will comprise handling of private jets and transfers from the airport to hotels by helicopter.

116. To support hotels in their refurbishment, the 50 percent lease rent waiver is being extended up to June 2023.

117. Events with a minimum of 50 participants will be eligible to benefit from VAT refund under the Meetings, Incentives, Conferences and Exhibitions (MICE) scheme.
118. Rs 150 million is being provided over the next three years for the rejuvenation of the SSR Botanical Garden.

119. We want everyone arriving in Mauritius to be given the opportunity to discover our unique products.

120. Thus, all incoming passengers of Air Mauritius will receive a voucher of Rs 200 to be spent on arrival at the Mauritius Duty Free Paradise.

121. For the future of the sector, a 10-year blueprint will be prepared.

**Arts and Culture**

Mr Speaker, Sir,

122. For two years now, the arts and culture industry has been practically at a halt.

123. We need to support and reignite our incredible arts, culture and historical institutions as they reopen.

124. It is an industry which brings together our sense of identity, and unites us as one nation.

125. To promote creativity and encourage more artistic projects, new schemes will be introduced namely: -

   (a) An Artist Incubator Scheme to nurture emerging talents;

   (b) A scheme to facilitate the participation of local talents in international award ceremonies; and

   (c) A scheme for local artists to participate in international competitions.
126. For the professionalization and development of the creative sector: -

(a) Rs 20 million is being earmarked for the setting up of a National Arts Centre, including a recording studio at Reunion Maurel, Petit Raffray;

(b) The Centre de Formation Artistique will be revamped; and

(c) The Serge Constantin Theatre and the Pointe Canon Open Air Theatre will be modernised.

127. The Côte D’Or National Sports Complex will be equipped to host major concerts by local and international artists.

128. An Expression of Interest will be launched to encourage private operators to renovate, maintain and operate historical buildings and landmarks including the ‘Chateau Bénaires’ and the Citadelle on a commercial basis.

129. In the context of the 55th anniversary of the independence, 12 Fêtes Nationales will be organized throughout the year 2023 at: -

(a) Curepipe;
(b) Trou d’eau Douce;
(c) Mahebourg;
(d) Souillac;
(e) Flic-en-Flac;
(f) Rose-Hill;
(g) St-Pierre;
(h) Flacq;
(i) Goodlands;
(j) Triolet;
(k) Port Mathurin; and
(l) Port-Louis
130. The first edition of the Mauritius Arts Expo will be organised this year.

131. Government is providing a grant of Rs 5,000 to all registered artists displaying at the Mauritius Arts Expo.

132. Finally, to promote Mauritian literature, Government will adopt a public policy to purchase local works published in the year and make them accessible to Mauritians in public libraries.

**Financial Services**

Mr Speaker, Sir,

133. The financial services industry has demonstrated strong resilience in the face of the crisis with a growth rate of 4.2 percent last year.

134. Furthermore, we are out of the FATF, EU and UK lists.

135. We need to build on this momentum.

136. To this end: -

(a) The Bank of Mauritius together with the Bank of China will launch a regional Renminbi Clearing Centre this year;

(b) The Bank of Mauritius will collaborate with the National Payments Corporation of India for the issuance of ‘RuPay’ cards and Indian QR Code in Mauritius;

(c) A National Payment Card will be introduced for customers; and

(d) The Financial Services Commission will revamp its framework to enable Re-Insurance companies to set up operations in Mauritius.
137. To continue the overhauling of the financial services sector, the Government will adapt its legislative framework to converge the domestic and the global business regime.

138. As part of our actions against tax base erosion and profit shifting, we are introducing a domestic minimum top-up tax to ensure that resident companies of large multinationals are taxed at a minimum rate of 15 percent.

139. On the occasion of the 55th anniversary of the Bank of Mauritius, a 5-Year Emerald Jubilee Bond will be issued at an annual interest rate of 4 percent.

140. To cater for specialist trainings in the sector, the Financial Services Institute will become an awarding body.

141. Moreover, the BOM and the FSC will renew their one-year graduate training programme on AML, targeting 100 graduates with a monthly stipend of Rs 15,000.

142. The Financial Crime Commission will be set-up to ensure an effective coordination in the fight against financial crimes.

**ICT**

Mr Speaker, Sir,

143. The ICT sector has been one of the few sectors which has registered a positive growth rate in the last two years despite the pandemic.
144. The sector has known a renewed dynamism with major multinational companies relocating to Mauritius, and creating job opportunities.

145. The Digital Industries Academy will provide training to 1,000 individuals in Data Communications, 5G, Cloud Computing, Artificial Intelligence and Cyber-Security as from July 2022.

146. Moreover, the Digital Industries Academy will set-up a DIA Incubator for high-end ICT product development.

147. It will partner with telco providers, banks and international players to provide mentoring and financing to 50 incubatees.

148. I am providing Rs 15 million for a second connection for the Government Online Centre to ensure continuous access in government e-services.

149. To continue the public service digitalization strategy, a number of services will be offered online including: -

   (a) Application for Certificate of Character;

   (b) Payment of Road traffic fines; and

   (c) Application for social benefits.

150. Finally, to maintain a continuous dynamism and expansion of the sector, a 5-year blueprint will be devised.
Mr Speaker, Sir,

151. Small and medium businesses are the lifeblood of our economy and a powerhouse of growth and employment.

152. This is why during the last two years Government has provided its full support to SMEs through the Wage Assistance Scheme and financing of the additional renumeration.

153. Moreover, through the DBM, and the IFCM, some Rs 4.7 billion have been approved as loans and equity financing to more than 12,000 SMEs.

154. Government will spare no efforts to nurture the growth of small and medium businesses.

155. To this end, the SME Act will be amended to review the definition of SMEs: -

   (a) Micro-Enterprise from a turnover of Rs 2 million to Rs 10 million;

   (b) Small Enterprise from a turnover above Rs 10 million and up to Rs 30 million; and

   (c) Medium Enterprise from a turnover above Rs 30 million and up to Rs 100 million.
156. All companies with a turnover of up to Rs 100 million will henceforth be categorised as SMEs instead of Rs 50 million currently.

157. A Mid-Market Enterprise with a turnover up to Rs 250 million will now be included as a new category under the SME Act.

158. This will effectively enable some 142,000 enterprises to benefit from improved access to government support programmes, and financing.

Mr Speaker, Sir

159. The DBM will extend the SME interest free loan scheme and the Covid-19 Special Support Scheme up to June 2023.

160. To consolidate the DBM network, three new branches at St Pierre, Rivière des Anguilles and Bambous will be opened by end of 2022.

161. DBM is allocating Rs 5 billion to support SMEs, Mid-Market Enterprises and entrepreneurs.

162. And the MIC is setting up a Venture Capital Fund of Rs 5 billion targeting SMEs and Mid-Market Enterprises.

163. For the co-operative sector, we are providing a 50 percent grant up to Rs 500,000 for the purchase of recycling equipment and transportation vehicle from local suppliers.
Doing Business

Mr Speaker, Sir,

164. This Budget ensures that Mauritius remains amongst the most business-friendly countries in the world.

165. For businesses to invest, train, recruit and innovate.

166. It will henceforth not cost a single rupee to start a business and incorporate a company in Mauritius.

167. The Bank of Mauritius will ensure that a bank account can be opened within 1 week, be it for an individual or a business.

168. An Inter-Ministerial Committee chaired by the Prime Minister will oversee the streamlining of licenses and permits in the construction, tourism, healthcare, and logistics sectors.

169. Moreover, we will introduce a Business Regulatory Reform Bill as an apex legislation on business facilitation.

170. We will support businesses by enabling them to recruit talents under the young professional occupation permit.

171. And we will enable entrepreneurs and students completing their studies to benefit from the premium visa.

172. Holders of Residence Permits will be given the opportunity, upon applications, to acquire a residential property of a minimum of USD 350 000 outside the existing schemes, subject to a 10 percent contribution made to the Solidarity Fund.
173. A Committee chaired by the Prime Minister will examine the applications on a monthly basis.

174. To continue building on the silver economy strategy to attract more foreign retirees in Mauritius, the EDB will organise the first edition of the Mauritius International Silver Economy Festival.

175. We will support businesses as they invest in the training and skilling of 3,000 of our youths, men and women through an increased monthly stipend of: -

(a) Rs 8,000 for those under the National Apprenticeship Programme and the National Skills Development Programme; and

(b) Rs 10,000 for the Graduate Training for Employment Scheme.

176. And we will encourage women getting back into the job market by doubling the period of placement to two years.

**Sustainable and Inclusive Development**

Mr Speaker Sir,

177. Our second strategy is to accelerate our country’s transition into a model of sustainable and inclusive development.

178. Sustainable growth involves a cleaner, greener and a more climate resilient country.
**Cleaner, Greener Renewable Energy**

179. Accelerating the transition to a more secure and cleaner homegrown energy supply is imperative.

180. To meet our current energy consumption, we need a capacity of 761 MW. This is expected to increase to 1,196 MW by 2030.

181. We currently have 165 MW of capacity from renewable sources.

182. To achieve our target of 60 percent energy from renewable sources by 2030, we need an additional 435 MW from renewable sources.

183. I am therefore announcing a Green Transformation Package to increase our share of electricity supply from local renewable sources.

184. Hybrid renewable energy facilities will be set up in partnership with private promoters for a total capacity of 140 MW.

185. CEB is investing in an 8 MW solar PV farm at Henrietta by February 2023 to increase its capacity from 2 MW to 10 MW.

186. A 1 MW solar farm will be commissioned at Grenade in Rodrigues.

187. DBM Energy Ltd will implement solar PV projects at its industrial buildings as well as other public buildings for a total capacity of 6.2 MW.
188. Airports of Mauritius Ltd will invest in a 14 MW solar photovoltaic system as part of the greening of the SSR International Airport and the surrounding airport area.

189. To allow the CEB to accommodate more renewable energy on its grid, a 20 MW battery energy storage system will be installed at Amaury.

190. To encourage production and supply of renewable energy by households and non-commercial entities: -

   (a) 5,000 solar PV kits with a total capacity of 9 MW will be installed on rooftops of households, religious bodies, NGOs, and charitable institutions; and

   (b) A loan facility of up to Rs 250,000 will be made available by the DBM to domestic consumers at a concessional rate of 2 percent per annum to finance the acquisition of solar PV systems.

191. Individuals and companies will also be allowed to generate renewable energy up to a maximum of 150 percent of their annual requirement.

192. The CEB will purchase electricity under the Medium Scale Distributed Generation Scheme (MSDG) at a feed-in tariff of Rs 4.20 per Kw/h.

193. The existing rental fee for production meters of Renewable Energy Schemes is also being waived.
Carbon Neutral Industrial Sector

Mr Speaker, Sir,

194. The industrial sector is one of the largest energy consumers on the island, amounting to approximately 28 percent of total energy usage.

195. Government is committed to ensure carbon neutrality in the sector by 2030.

196. To this end, a renewable energy transition framework is being implemented through: -

(a) The generation of up to 150 percent of existing usage by industrial users;

(b) The provision of an agreed feed-in tariff of Rs 4.20 for industrial users by the CEB;

(c) Allowing the setting up of both on-site and off-site PV installations by industries; and

(d) The introduction of a Carbon Neutral Loan Scheme by the IFCM over 7 years at a preferential rate of 3 percent.

197. In total, Mr Speaker, Sir, we will produce an additional 200 MW from renewable sources by 2025, thus increasing our share of energy from renewable mix to 40 percent.

198. This programme is expected to generate at least Rs 20 billion of private investment over the next 3 years.

199. A Committee will be chaired by the Prime Minister to fast-track the implementation of Renewable Energy projects to attain this objective.
Mr Speaker, Sir,

200. We will further reduce our dependence on import of petroleum products, decarbonize the land transport system, and accelerate the EV transition.

201. The Metro Express will be fully operational on the Port-Louis – Curepipe corridor, as well as between Rose Hill and Reduit before the end of this year.

202. Metro Express Ltd will implement photovoltaic farms at its Richelieu Depot, at Barkly as well as at Ebene Recreational Park to cater for its electricity needs.

203. To further promote the electrification of the public transport system, the IFCM will provide leasing facilities of 3 percent per annum over 10 years to transport operators to acquire electric vehicles and charging infrastructure.

204. In addition, Mr Speaker, Sir, 200 electric buses will be acquired to renew half of the fleet of the National Transport Corporation.

205. As from the next financial year, the Bus Modernisation Scheme will apply only to electric buses.

206. Moreover, IFCM will provide concessionary leasing at 3.5 percent per annum to companies renewing their company fleet to electric only.
207. DBM will provide a 0.5 percent loan of up to Rs 3 million to taxis and van operators over a period of 7 years for the purchase of electric vehicles.

Mr Speaker, Sir,

208. As from 1st July 2022, all hybrid and electric vehicles will be duty-free.

209. We are going the extra mile by introducing a negative excise duty scheme of 10 percent for the purchase of electric vehicles by individuals up to a maximum of Rs 200,000.

**Adopting an Effective Demand Management Strategy**

210. Every 10 percent increase, Mr Speaker, Sir, in energy efficiency enables us to save Rs 1 billion in imports.

211. To this end, the Energy Efficiency Management Office will: -

   (a) Introduce mandatory Minimum Energy Performance Standards for air conditioners; and

   (b) Extend the mandatory energy labelling to television sets and tumble dryers.

212. Moreover, local authorities will be required to replace 10 percent of street lighting in secondary roads by stand-alone electric lamps annually.
Mr Speaker, Sir,

213. The cleaning and greening of Mauritius are truly a nationwide effort.

214. In advancing this green transition, we will secure a more sustainable future for ourselves and for our children.

215. This is indeed why the National Environment Cleaning Agency has been set-up under the aegis of the Prime Minister’s Office to develop our national cleaning strategy.

216. I am allocating Rs 1 billion to the clean-up and embellishment programme as well as for the rehabilitation of beaches, lagoons and coral reefs, including:

(a) Completion of the beach rehabilitation works at Pointe aux Feuilles to Grand Sable, Providence to Grand Port, Bois des Amourettes and Petit Sable to Anse Jonchée;

(b) Upgrading of access and parking areas at Pomponette and Pointe aux Piments public beaches;

(c) Implementation of Beach Management Plans at Mont Choisy, Flic en Flac, La Prairie, Belle Mare and Grand Baie;

(d) Installation of solar lightings at beaches;

(e) Extension of the Mangroves Plantation and Restoration programme;
(f) Acquisition of 2 new tipper lorries for effective waste collection and disposal; and

(g) Cleaning and embellishment of 120 public sites including places of worship, children’s playgrounds, and health tracks.

217. I am also earmarking Rs 400 million to undertake landslide rehabilitation works across the island.

Mr Speaker, Sir,

218. To promote locally manufactured products from recycled materials: -

(a) A tipping fee will be paid to local recyclers per tonne of waste, excluding used tyres and PET bottles; and

(b) A margin of preference will be provided for products manufactured from recycled materials.

219. To improve resource recovery for recyclers:

(a) An additional déchetterie will be set up for disposal of waste oils, construction and demolition wastes amongst others;

(b) A pilot Composting Unit and a Sorting Unit will be developed for the separation of dry and wet waste resources for sale to registered recyclers on a PPP basis;
(c) A framework will be introduced to encourage composting of Green Wastes from Households, Markets, Parks and Gardens; and

(d) A Scrapyard for vehicles declared total loss and beyond their economic life will be created on a PPP basis.

220. To further enhance our preparedness to disasters, Rs 90 million will be provided over the next three years for the purchase of oil spill combat equipment.

**National Flood Management Programme**

Mr Speaker, Sir,

221. Last year, we came up with an unprecedented flood management programme to provide for effective drainage system in identified flood prone areas.

222. Over the last summer months, the island continued to face major floods in different regions.

223. Our thoughts are with those who have lost their homes, their belongings and their businesses.

224. Nothing can overcome the personal pain and loss of so many Mauritians.

225. But we will stand with these communities to build resilience to flash floods and other unpredictable weather conditions.
226. I am earmarking an amount of Rs 3.8 billion in the next fiscal year to continue the National Flood Management Programme including:

(a) Rs 61 million at Pointe aux Sables, Pailles, Canal Dayot, Residence Richelieu, Bain des Dames and Cassis;

(b) Rs 91 million at Residence Rozemont, Vallée Pitot, Boulevard Rivaltz, Pouce Street, Tranquebar, Lord Kitchener and Raoul Rivet in Port-Louis;

(c) Rs 66 million at Canal Anglais, Roche-Bois, Route Nicolay and Camp Yoloff;

(d) Rs 157 million at St Croix, Vallée des Prêtres, Rivière Latanier and in Terre Rouge at Cité Roma, Morcellement Goolamally and Morcellement Raffray;

(e) Rs 306 million at Pamplemousses, Pointe aux Piments, Arsenal, Calebasses, Cité Nelson Mandela and Baie du Tombeau;

(f) Rs 69 million at The Vale, Petit Raffray and Poudre D'Or Village;

(g) Rs 293 million at La Paix Piton, Plaine des Papayes, Petite Julie, Poudre D'Or Hamlet, L'Amitié and Rivière du Rempart;
(h) Rs 281 million at Camp Thorel, L’Agrément St Pierre, Nouvelle Decouverte, Telfair Moka, La Laura Malenga, Dagotière, Quartier Militaire and L’Avenir;

(i) Rs 120 million at Pink Pigeon, Queen Victoria, in Poste de Flacq at Cité Hibiscus, Allée Mangues and Débarcadère and at La Source, Centre de Flacq;

(j) Rs 179 million at Bramsthan, Sans Souci Road Montagne Blanche and Clemencia;

(k) Rs 501 million at Bambous Virieux, Rivière des Créoles, Anse Jonchée, Petit Bel Air, Grand Sable, Rose Belle, Gros Billot, Rivière La Chaux, St Hubert, St Hillaire, Nouvelle France and Providence;

(l) Rs 316 million at Mahebourg, Trois Boutiques, Plaine Magnien, Mare Tabac, Bois d’Oiseaux and Ville Noire;

(m) Rs 285 million at Grand Bois, La Flora, Camp Tagore L’Éscalier, near Camisel Rivière des Anguilles, Dispensary Road Camp Diable, Ruisseau Paresse, Camp Bananes, Bois Chéri and Tyack;

(n) Rs 150 million at Chemin Grenier near Mosque Road, Ernest Le Maire, Morcellement Chazal Flic-en-Flac and Dakri Bambous

(o) Rs 200 million in Vacoas at Solferino and La Caverne and Camp Fouquereaux;
(p) Rs 117 million at Malakoff, Sadally, La Marie, Junction Abbe Laval and Lazer Streets and Charles Reynaud;

(q) Rs 218 million at Curepipe, Robinson, Forest Side and Eau Coulée;

(r) Rs 101 million in Quatre-Bornes at Sodnac, Avenue des Ibis, Palma, Remy Ollier Road, La Louise, Residence Beau Sejour;

(s) Rs 61 million at Plaisance, Hajee Hallaman Street, Avenue Mallac, Avenue Hugnin, Berthaud Avenue, Avenue Jinnah, Old Arab Town, Roche Brunes and Mont Roches;

(t) Rs 96 million at Residence Les Chebecs, Barkly and Coromondel; and

(u) Rs 132 million in Rodrigues at Port Mathurin, Baie Malgache, Port Sud Est and Anse Ally.

Mr Speaker, Sir,

227. Our vision is that of a sustainable Mauritius - greener, more efficient, more inclusive and more resilient.

228. We need to reimagine our towns and villages as areas of sustainable living.

229. A Sustainable City Scheme is being introduced for the development of a new concept of sustainable living built for people and nature.
230. Furthermore, an International Sustainable City Summit will be organised by the EDB this year.

231. To finance the implementation of our sustainability roadmap: -

(a) A Carbon Credit trading framework will be prepared

(b) An Environmental, Social and Corporate Governance (ESG) framework will be developed; and

(c) An inaugural Sustainable Bond will be issued.

Mr Speaker, Sir,

232. This Government has the unflinching conviction that the strength and resilience of our economy resides in inclusiveness.

233. We will spare no effort to ensure that all Mauritians have access to an equitable and quality education system, resilient healthcare, affordable housing, modern amenities and a safe environment.

**Education**

Mr Speaker, Sir,

234. The key to our development agenda is education.

235. It is a source of opportunity for every Mauritian.

236. In 2021, there has been a marked improvement in the performance of students in the SC and HSC exams.

237. We will continue to invest to help every child achieve his full potential.
238. An amount of Rs 18.3 billion is being provided for free education in Mauritius, be it at primary, secondary or tertiary.

239. At the pre-primary level, I am providing a one-off grant of Rs 50,000 to further support 125 private pre-primary schools in disadvantaged regions.

240. Government will continue to support students with special education needs and learning difficulties. To this end: -

(a) 53 schools run by NGOs including those run by the Service Diocésain de l'Education Catholique will be eligible to a grant of: -

i. Rs 100,000 for repairs and renovation of buildings; and

ii. Rs 50,000 for purchase of equipment and pedagogical tools and materials.

(b) The allowance paid to specialists providing support paramedical services to children in SEN schools is being increased by 10 percent.

(c) Hot meal and transport facilities in SEN schools will be provided to all students irrespective of age.

(d) DBM will provide a loan of Rs 100,000 at a concessionary interest rate of 3.5 percent for the upgrading and embellishment of the SEN school infrastructure.

(e) Finally, the grant to NGOs/SeDEC run SEN schools is being increased to Rs 155 million.
241. I am providing funds for the construction of

(a) A Pre-primary school at Le Morne;

(b) A new science block at John Kennedy College;

(c) New classrooms at Royal College Port Louis;

(d) A new administrative block at Queen Elizabeth College;

(e) A gymnasium at Royal College Curepipe;

(f) Science laboratories at France Boyer de la Giroday; and Sookdeo Bissoondoyal State College.


243. I am increasing the allowance paid to teachers of evening schools running oriental classes by Rs 1,000 monthly.

244. A new Student Accommodation Facility will be constructed on a PPP basis at Côte D’Or, for both the public and private higher education sector.

245. In honour of the incredible achievements of late Sir Anerood Jugnauth for the country, Government will introduce a SAJ National Scholarship Scheme.

246. The scholarship will be awarded to two laureates, one boy and one girl ranked first on the Economic side.
Mr Speaker Sir,

247. Two years ago, we were faced by the worst, and the most unpredictable health crisis in our history.

248. Throughout the pandemic, Mauritians, in particular our healthcare workers have been exemplary on the frontline.

249. Fighting against the unknown to protect the lives of our loved ones.

250. We are much stronger now.

251. What the pandemic has taught us is that we need to relentlessly improve our public health eco-system and strengthen our resilience.

252. This entails sustained investments in infrastructure, technology and skills.

253. Therefore, we are increasing the healthcare budget to some Rs 14.7 billion from Rs 13.1 billion last year.

254. This includes some Rs 2.5 billion for modernizing the health infrastructure of which: -

   (a) Rs 870 million for completion of the New Cancer Centre by December 2022;

   (b) Rs 440 million for completion of the New Flacq Hospital by June 2023;
(c) Rs 200 million to upgrade the Neo-Natal Intensive Care Unit and construct the Renal Transplant Centre at the Jawaharlal Nehru Hospital;

(d) Rs 192 million to start works for the New Eye Hospital at Moka;

(e) Rs 25 million for upgrading works at Souillac Hospital;

(f) Rs 20 million for a New Haemodialysis Unit at the SSRN Hospital and for the acquisition of lithotripsy machines in regional hospitals;

(g) Rs 15 million for 4 fertility clinics at 4 regional hospitals; and

(h) Rs 10 million for a New Orthopaedic Appliance Workshop at Brown Sequard Mental Health Care Centre.

255. A sum of Rs 325 million is earmarked for the acquisition of high-tech medical equipment including digital X-ray machines for the Souillac Hospital and a CT Scan equipment for the Flacq Hospital.

256. The second phase of the New Flacq Teaching Hospital project will be implemented under the public-private partnership framework.

257. Furthermore, as announced by the Honourable Prime Minister at the Ground-Breaking Ceremony of the WHO-Global Centre for Traditional Medicine in India, a new AYUSH Hospital will be constructed at Côte d’Or.
258. I am also providing funds for engineering studies for the construction of

(a) An Accident and Emergency Department at Jawaharlal Nehru Hospital;

(b) New Autistic Day Care Wards in hospitals starting with Souillac Hospital;

(c) A Mediclinic at Rivière du Rempart;

(d) New Area Health Centres (AHCs) at Bambous and Curepipe; and

(e) New Community Health Centres (CHCs) at Camp Thorel, Ecroignard, The Vale, Glen Park, Case Noyale, Piton and Tamarin.

Mr Speaker, Sir,

259. To strengthen the capacity of the public health sector to deliver high quality services, I am providing for the recruitment of 1,354 staff this year.

260. Furthermore, to ensure 24/7 specialised services: -

(a) Specialists in the fields of Obstetrics and Gynaecology, Paediatrics and Anaesthesia will be physically present in hospitals at all times; and

(b) Primary PCI Angiography services will be offered at the Victoria Hospital and the Trust Fund for Specialised Medical Care for Cardiac Centre.
261. The grant amount for patients requiring stretchers during overseas treatment for cases of Neurosurgery and Bone Marrow Transplant is being increased by Rs 200,000.

262. Finally, to discourage consumption of cigarettes and alcoholic products, I am increasing the rates of excise duty by 10 percent.

263. I will be moving for a financial resolution to that effect.

**Gender**

Mr Speaker, Sir,

264. I now come to measures to promote gender equality, enhance women empowerment and ensure child protection.

265. With regards to the protection of children, an additional relay shelter at Notre Dame is now operational.

266. Residents of shelters aged between 16 and 18 years will benefit from a skills development programme to enhance their employability.

267. In addition, the One-Off Cash grant of Rs 500,000 for upgrading of creches is being maintained.

268. Moreover, the National Adoption Bill will be introduced to provide a legal framework for both local and foreign adoption of children.

269. To promote women entrepreneurship at the grassroot level, some 50 women will be provided with 3 months mentoring and paid a monthly stipend of Rs 11,500.
270. In addition, a model shelter for women victims of domestic violence will be constructed at Rivière du Poste, including nursery and pre-primary facilities.

271. To promote community-based activities, 3 Community Centres at Gokhoola, St Aubin and St Pierre are being revamped into Community Wellness Centres.

272. Furthermore, a new community centre will be constructed at Stanley, Rose-Hill to provide proximity services.

**Improving Infrastructure**

Mr Speaker, Sir,

273. We will continue in our endeavour to provide our citizens and businesses with modern amenities and infrastructure.

**Road Connectivity**

274. To pursue our Road Decongestion Programme, I am providing Rs 2.6 billion over the next financial year to implement road construction works.

275. In this respect, some Rs 1.1 billion is being provided for the completion of:

   (a) The Palmerstone Road by September 2022;

   (b) The A1-M1 Bridge by December 2022;

   (c) La Vigie – La Brasserie Link Road by February 2023; and

   (d) The Verdun Bypass by March 2023.
276. To improve connectivity, I am providing Rs 1.5 billion over the fiscal year for the construction of: -

(a) 5 new flyovers at Quay D, Terre Rouge, St Pierre, Wooton, and Ebene;

(b) 3 new bypasses at Flic-en-Flac connecting Pierrefond to Avenue Radar, at Bois Cheri from Avalon to Grand Bois and at Hermitage along Côte D’Or Road;

(c) A New Link Road from La Brasserie to Beau Songes;

(d) A New Link Road from Dubreuil to Melrose; and

(e) Upgrading and enlargement of the road from Beau Climat to Tyack.

277. A new regulatory framework will be implemented by December 2022 to enable users to book taxi services online.

_Social Housing_

Mr Speaker, Sir,

278. Government is committed to investing in safe and affordable housing for our citizens so that each and every family has a decent home.

279. We made a commitment to provide 12,000 families with a decent home during this mandate.
280. Construction will start in just two months in Coromandel and subsequently across 50 sites throughout the island.

281. We will deliver on our promise to complete this landmark project by 2024.

282. In addition, the NHDC will deliver 485 housing units at Wooton and Mare D’Albert by June 2023.

283. And further start construction of 1,273 units at Mon Gout, Malherbes and La Valette.

Community Development

Mr Speaker, Sir,

284. Furthermore, we are investing some Rs 1.4 billion for the construction and upgrading of community development facilities.

285. These projects include:

   (a) 5 new Incinerators at Quartier Militaire, Tyack, Rivière du Rempart, Tranquebar and Midlands;

   (b) 5 Futsal at Terre Rouge, Baie du Tombeau, D'Epinay, Belle Vue Maurel and Amitié;

   (c) 9 Multipurpose complexes at Creve Coeur, Le Hochet, Triolet, Plaine Des Papayes, Camp Benoit in Port-Louis, Chebel, Malherbes, Roche Bois and 16ème mille;
(d) 3 Integrated Sports Projects at Quatre Bornes, Morcellement St Antoine and Roche Bois;

(e) 10 Outdoor Gyms at D’Epinay, Reduit, Ville Noire, Rivière Des Anguilles, Souillac, Bois Cheri, Henrietta, Cité Mangalkhan, La Marie and Quatre Bornes;

(f) 6 Markets at Bon Accueil, Moka, L’Escalier, Rivière des Anguilles, Terre Rouge and Tyack,

(g) 2 Gymnasia at Port Louis and Rose-Hill;

(h) Green Spaces at Lower Dagotiere, Plaine Magnien, Chebel, Rose-Hill, Port-Louis, St Aubin and La Caverne;

(i) A Recreational Centre at Alma;

(j) 23 new mini soccer pitches at Piton, Pointe aux Canonniers, Pointe aux Sables, L’Agrément St Pierre, in Vacoas at Holyrood, Grannum and Desvergues, Latapie Bon Accueil, Mare La Chaux, Bel Air, Camp de Masque, Bramsthan, Clemencia, Sebastopol, Camp Carol, Beau Bassin, Plaine Verte, Camp Yoloff, Palma, Cinq Arpents, Midlands, and Terre Rouge;

(k) 18 football grounds at Flic-en-Flac, Mapou Leclezio, Mare D’Australia, Mont Ida, Ecroignard, Trou d’Eau Douce, Bananes, Cluny, Mangalkhan, Les Casernes Curepipe, Malherbes, Pailles, Residence La Cure, St Pierre, Bois Des Amourettes, Residence La Chaux Beau Vallon, Allée Brillant Floreal and Roche Terre;
(l) 4 Sub Halls at Gros Billot, Nouvelle France, Terre Rouge and Roche Terre;

(m) 9 Municipal Complexes at Mare Gravier, Chebel, Mont Roches, Rose Hill, Curepipe, Les Salines, Marie Reine de la Paix, Plaine Verte and Vacoas;

(n) 5 Volleyball pitches at Tamarin, Plaine des Roches, Verdun, Residence Atlee Curepipe, Montagne Ory; and

(o) Upgrading of 17 Cemeteries and 11 Cremation Grounds.

Youth And Sports

Mr Speaker, Sir,

286. The development and promotion of sports be it at community or professional levels are key to a more resilient Mauritius population.

287. We will rally support to our athletes to participate in various high-level events.

288. This week, Mauritius will host some 450 elite athletes and delegates from 54 countries for the 22nd African Senior Athletics Championships at the Côte D’Or National Sports Complex.

289. I am providing Rs 50 million for the preparation of athletes and the organization of the Commission de la Jeunesse et des Sports de l’océan Indien (CJSOI) Games in December this year.

290. We will also bid to host the 2025 Africa and Asia Pacific Choir Games and the next Commonwealth Youth Games.
291. Rs 30 million is earmarked for the preparation of our athletes for Indian Ocean Islands Games 2023 and the 2024 Olympic Games.

292. Rs 50 million will be allocated to sports federations to enable athletes to prepare for high level games.

293. The Mauritius Recreation Council will organise recreational activities at the Anse La Raie, Bel Ombre, Belle Mare, Flic-en-Flac and Pointe Jerome Outdoor Education and Recreation Centres.

294. The Beau Vallon Football Ground will be upgraded.

295. An amount of Rs 55 M is being provided to upgrade 8 Youth Centres at Bois Cheri, Residence Florida at Baie du Tombeau, Residence Kennedy, Residence Malherbes, Roche Bois, Rose-Belle, Tamarin and Trefles.

296. Furthermore, we are providing a special grant of Rs 15,000 to our high-level professional athletes for the purchase of sports equipment.

297. We will provide an amount of Rs 10 million for Smart Youth Programmes, including:

(a) National Youth Volunteer Scheme;
(b) Duke of Edinburgh International Award;
(c) Zenes Montré to Talents; and
(d) National Youth Civic Service.

298. We also want to provide our youth the means to enhance their creativity, desire to read and engage in sports.
299. A Sports and Culture Voucher of Rs 500, the ‘Pass 'Sport Culture’ will be provided to youth aged between 15 and 25 years old for the purchase of books, musical and sports equipment, as well as arts and cultural activities.

Water

Mr Speaker Sir,

300. To improve water supply throughout the island:

(a) Rs 100 million will be provided to start the construction of the Rivière des Anguilles Dam and for the upgrading of La Ferme Reservoir;

(b) Rs 1 billion will be invested in water distribution projects including: -

i. replacement of pipes in Rose Hill, Laventure, Lallmatie, Pierrefonds, Flic en Flac, L’Escalier, Chamouny, Chemin Grenier, Roche Bois, Plaine Verte, Plaine Magnien, Montagne Fayence, Ecroignard, Bon Accueil, Plaine Lauzun, Fond du Sac, Plaine des Roches and Roches Noires amongst others;

ii. construction of service reservoirs at Cluny, Riche en Eau, Salazie, Eau Bouillie and Alma;

iii. installation of pressure filtration plants at Beau Champ, Calebasses, Constance, Chazal, Rivière La Chaux, Melrose, Tyack, Yemen; and

iv. construction of new and upgrading of existing water treatment plants at Mont Blanc, Piton du Milieu and Pont Lardier.
301. Moreover, Rs 100 million is being earmarked for the provision of water tanks and water pumps to some additional 12,500 households.

302. Rs 10 million will be provided under a Rainwater Harvesting programme in 100 schools, 10 hospitals, 10 agricultural farms and nurseries and 10 market places for optimal use of water resources.

303. Furthermore, some Rs 1.1 billion will be provided for the:

(a) implementation of sewerage infrastructure projects in Grand Baie, Pailles, Quatre Bornes, Morcellement Goolamally, Terre Rouge, Pointe aux Sables, Bambous, and Residence Atlee, Highlands, Camp Rouillard, Vallée des Prêtres and Chamarel;

(b) refurbishment of the wastewater treatment plants at Montagne Jacquot and St Martin; and

(c) extension of sewer lines and connection to additional premises in sewered regions across the country.

Public Service and Governance

Mr Speaker, Sir,

304. Government will continue to invest to enhance the quality of our public service.

305. The Civil Service College under construction will be equipped with modern facilities and IT equipment to facilitate online training, webinars, videoconferencing as well as interactive coaching.
306. Some 8,353 new public officers will be recruited in this financial year.

307. With the implementation of an Electronic Document Management System, public officers will be able to work remotely.

308. To further strengthen accountability and transparency by public sector entities, the Director of Audit will as from next financial year issue consolidated reports on Local Authorities and Statutory Bodies together with the Annual Audit Report.

**Law and Order**

Mr Speaker, Sir,

309. Government will continue supporting our police force in upholding law and order for a safer Mauritius for one and all.

310. We are therefore providing Rs 10.9 billion to the Police Force to offer a quality and efficient service to the population.

311. First, one Advanced Light Helicopter will be acquired to enable prompt intervention in anti-drug missions, search and rescue operations and other support to the inner islands.

312. Second, the Mauritius Disciplined Forces Academy will be constructed at Côte D'Or to provide a common training platform for the Police, Prison and Fire and Rescue Services.

313. This will also include a new Police Headquarter.
314. Third, a New Coastal Surveillance Radar System will be installed to ensure effective coastal surveillance and monitoring of movement of vessels.

315. Fourth, the fleet of vehicles will be renewed to increase the operational capabilities of the Police Force.

316. Fifth, a new Automated Finger Print Identification System will be implemented.

317. Sixth, Light Armoured Personnel Carriers to better handle disaster situations will be acquired.

318. Seventh, a new building will be constructed at La Vigie to house the Forensic Science Laboratory.

Mr Speaker, Sir,

319. Since 2015, this Government has been engaged in a relentless battle against drug trafficking with the seizure of over Rs 13.7 billion worth of dangerous drugs and the arrest of some 20,000 persons by the Anti-Drug and Smuggling Unit (ADSU).

320. This year itself, our police force has seized Rs 5 billion worth of dangerous drugs and arrested over 4,400 persons by the ADSU.

321. To further intensify the fight against drug trafficking: -

(a) Rs 18 million is being provided for the acquisition of vehicles and special equipment for the ADSU; and

(b) High Patrol Vessels will be acquired for the National Coast Guard to track illicit activities on the high seas.
322. To control the entry of unlawful objects into prisons, Rs 18 million is being allocated for the installation of two body scanners in the Eastern High Security and the Grande Rivière Northwest Prisons.

323. Rs 15 million is earmarked for the implementation of e-passports and e-gates to enhance border security.

**Rodrigues and Outer Islands**

Mr Speaker, Sir,

324. Let me now unveil our policies for Rodrigues and the Outer Islands.

325. A total budget of Rs 6.8 billion has been provided for Rodrigues and Outer Islands.

326. Rs 125 million for the completion of the Technology Park at Baladirou in early 2023.

327. Rs 100 million for the construction of 30 kilometres of track roads.

328. Rs 60 M for the implementation of environmental projects, including: -

   (a) A Material Recovery Centre at Roche Bon Dieu;

   (b) A wastewater treatment plant at Grenade;

   (c) Desilting of river beds; and

   (d) An integrated waste management and sorting system.
329. Water supply remains a high priority for the development of Rodrigues. In this respect: -

(a) Rs 36.3 million has been provided for the construction and upgrading of reservoirs, dams and boreholes; and

(b) The rain harvesting scheme for all eligible households will be renewed.

330. I am allocating Rs 20 million to operationalise a slaughter house in Rodrigues.

331. I am also extending the subsidy on Special Rodrigues Holiday Package and Subsidy on Airfare up to September 2023.

332. Exports from Rodrigues to Mauritius will also benefit from the Freight Rebate Scheme (FRS) and the Trade Promotion & Marketing Scheme (TPMS).

333. The 20 percent rebate on the cost of freight between Mauritius and Rodrigues announced last year is being maintained and will also be extended to Agalega.

334. We are extending all the schemes for the agricultural and livestock sector to Rodrigues.

335. Rs 6 million is earmarked for the acquisition of equipment and utility vehicles for Agalega.
336. After more than 50 years, a historic visit was undertaken by a Mauritian Delegation to the Chagos Archipelagos in February 2022.

337. We will pursue our fight for the decolonisation of our territory and implement a programme for resettlement in the Chagos Archipelago.

338. A second trip to the Chagos Archipelago will be undertaken.

339. Moreover, the budget of the Chagossian Welfare Fund will be increased to Rs 7 million.

**BUDGET OUTTURN AND PROSPECTS**

340. I now come to the budget outturn.

341. Today's forecasts confirm the effectiveness of our strategy.

342. Total expenditure will amount to Rs 172.9 billion whilst revenue will be of Rs 150 billion.

343. This makes a budget deficit of 4 percent of GDP, 1 percent lower than last year.

344. Public sector debt is expected to fall steadily from 87.4 percent by end of June 2022 to 78 percent by end of June 2023, lower than our fiscal anchor.
345. We will thus achieve our objective to bring down public sector debt to less than 80 percent of GDP two years ahead of schedule.

346. For 2022 - 2023, GDP will grow by 8.5 percent.

347. This Budget is driven by investment.

348. We are investing to build resilience in our economy, in our public finances and most importantly in our people.

**INVESTING IN PEOPLE**

Mr Speaker, Sir,

349. I will now elaborate on our measures for each and everyone.

350. Government will support the Mauritian people as it has always done.

351. We have stood by the population whilst the pandemic was at its worst, and we will continue to stand by them.

352. This is why the focus of the measures that I am announcing will be on investing in people.

Mr Speaker, Sir

353. We are today subject to pressures from external shocks.

354. Disruptions to global supply chains, rising energy and commodity prices, magnified by the war in Ukraine, have impacted on the cost of living.
355. We cannot remain insensitive to this situation.

356. This Government has a responsibility to help those who are most impacted by rising prices.

357. This is why we will provide direct support to the most vulnerable, the disabled, and the pensioners.

358. But also, to thousands of middle-income earners who are facing challenging times as well.

359. We will ensure that no one is left behind.

360. Because our people, who are just collateral victims, need relief today.

361. I am unveiling meaningful, targeted, and appropriate measures to make life more affordable.

*Making Essential Products Accessible*

Mr Speaker, Sir,

362. We will ensure that essential products are and remain accessible to the population.

363. “*Pain maison*” is certainly what one will find in all Mauritian houses.

364. We are committed to maintaining its retail price at Rs 2.60.
365. To this end, we are providing Rs 1.4 billion for a subsidy of Rs 591.25 on a pack of 25 kg of flour to bakers.

366. Bakers will therefore continue to pay the bag of 25 kg of flour at Rs 108.75 instead of Rs 700.

367. Cooking gas is another item that the vast majority of Mauritian households needs in their everyday life.

368. We are therefore providing Rs 2 billion to keep the price of a 12 kg cylinder of cooking gas at Rs 240 instead of Rs 680.

369. To maintain the price of rice at Rs 10.80 which is 60 percent lower than the actual price of Rs 26.20, we are allocating Rs 370 million.

370. We are going further by earmarking Rs 500 million to the STC for it to supply essential products such as milk, edible oil and pulses at a subsidised rate.

371. We are introducing price control on pasta, wheat cereal, infant food, as well as baby and adult diapers.

372. Moreover, the margin for pharmaceutical products is being reduced through a regressive mark-up regime.

373. Finally, products will have to be sold at a discount of at least 50 percent of the original price after their best before date but prior to their expiry date.
Employment

Mr Speaker, Sir,

374. More jobs mean more income.

375. And more income means higher purchasing power.

376. Fortunately, our economy is well on its recovery path.

377. Jobs are available for our people.

378. Sectors such as renewable energy, financial services, ICT, manufacturing, tourism and construction are all in need of more employees.

379. It is a unique opportunity to bring thousands of young Mauritians and women into the labour force.

380. Government will therefore provide a monthly Prime à l’Emploi of Rs 15,000 for the first year of employment of 10,000 youths between 18 and 35 years and women up to 50 years.

381. We are also creating new employment opportunities for some 8,353 people in the public sector.

382. MITD examinations fees is being waived for all students.

383. Moreover, we are providing Rs 500 million for the recruitment of 2,000 employees at Mauri-Facilities Ltd for cleaning services.
Home Ownership

Mr Speaker, Sir,

384. More jobs for our people enable an easier access to property.

385. For many Mauritians, owning a home is a life goal.

386. This Government will continue to help to make it a reality.

387. We will provide a direct subsidy to make the acquisition of residential property more affordable.

388. To this end, we are: -

   (a) Maintaining the Home Ownership and Home Loan Schemes with a 5 percent refund up to Rs 500 000 for another year; and

   (b) Enabling each spouse married under the regime “corps et bien” to benefit from the exemption of registration duty for first time buyers.

389. We will ensure that each and every citizen has a decent and safe home to live in for himself and his family.

A Decent, Safe and Affordable Home

Mr Speaker, Sir,

390. A safe, decent, and affordable place to live can make a real difference in the life of a family.

391. We believe that ending poverty starts with every Mauritian having access to homeownership.
392. We are constructing 13,758 social housing units across the island.

393. For the complete phasing out of Asbestos, we will rebuild some 1,800 Ex-CHA houses for an amount of Rs 800 million over the next two years.

A Level Playing Field for the Rural and Urban Residence

Mr Speaker, Sir,

394. For decades, those who live in urban areas have been subject to the Municipal Tax irrespective of the size of their house.

395. Let me say it here, it is unfair that a family pays municipal tax on his residence solely because he lives in an urban area.

396. This is why we took a commitment in 2019 to redress this anomaly.

397. I am pleased to announce that as from the 1st of July 2022, we are abolishing the municipal tax on the family home.

398. By doing so, we are effectively increasing the purchasing power of some 110,000 families.

Sale by Levy Reform

Mr Speaker, Sir

399. Over the years, the Sale by Levy process has devastated the lives of thousands of our people.

400. Today, we are pleased to announce a comprehensive reform of the sale by levy system to ensure that no family finds itself victim of this unfair regime.
401. First, as recommended by the report of the Law Reform Commission, the mise à prix shall not be less than 90 percent of the value of the “logement familial” of the borrower.

402. Second, the lender will recover only the capital and interest due from a sale, and penalties will be waived.

403. Third, any amount recovered from the sale exceeding the amount due to the lender will be remitted totally to the borrower.

404. Fourth, all sale by levy process will henceforth be conducted solely through a sealed bid process.

405. Fifth, the lender will be legally obliged to erase a charge once a debt has been repaid.

406. Sixth, the provision relating to ‘contrainte par corps’ is being repealed.

Supporting the Vulnerable

Mr Speaker, Sir,

407. The low-income households are the hardest hit by the rise in prices.

408. We know their struggle.

409. We know that times are hard for them.

410. We will not stay idle in the face of their difficulties.

411. We will help them face these challenging times, just as we have always done.
412. This is our philosophy.

413. Today, we are further strengthening our support to 18,000 households on the Social Register of Mauritius and those benefiting from Social Aid.

**Social Register of Mauritius (SRM)**

414. For beneficiaries under the Social Register of Mauritius:

(a) We are increasing the minimum monthly subsistence allowance from Rs 500 to Rs 1,000;

(b) We are also increasing the monthly child allowance from Rs 957 to Rs 1,046;

(c) The administration fee for full time courses at the MITD and other recognized public tertiary institutions is being waived;

(d) Free diapers will be provided for infants aged up to one year; and

(e) The Basic Invalidity Pension will not be accounted in the income eligibility threshold.

**Social Aid**

Mr Speaker, Sir,

415. We know that some Mauritian households have insufficient means to support the essential needs of their families.

416. Without Government support, they would be unable to sustain their basic expenses.
417. They are nonetheless the ones who are paying the highest price of inflation.

418. To lessen the impact of rising prices, we are increasing the benefits under Social Aid by at least 20 percent as from 1st July 2022.

419. For the head of a family, we are increasing the monthly allowance: -

(a) For the Claimant and the Spouse from Rs 1,527 to Rs 1,832;

(b) For a child under the age 3 years old from Rs 594 to Rs 713;

(c) For a child between 3 and 10 years from Rs 570 to Rs 713;

(d) For a child between 10 and 15 years from Rs 699 to Rs 839;

(e) For a child between 15 and 20 years and with a disability, from Rs 1,527 to Rs 1,832;

(f) For a child between 15 and 23 years and in full time education, from Rs 872 to Rs 1,046;

(g) For those suffering from a serious illness from a maximum of Rs 906 to Rs 1,087; and

(h) For the payment of rent up to a maximum of Rs 1,345 instead of Rs 1,121.
420. For a single mother, we are increasing the monthly allowance: -

(a) For herself from Rs 1,597 to Rs 1,916;

(b) For a child under the age 3 years old from Rs 622 to Rs 746;

(c) For a child between 3 and 10 years from Rs 599 to Rs 746;

(d) For a child between 10 and 15 years from Rs 728 to Rs 874;

(e) For a child between 15 and 20 years and with a disability, from Rs 1,597 to Rs 1,916;

(f) For a child between 15 and 23 years and in full time education, from Rs 914 to Rs 1,097;

(g) For those suffering from a serious illness from a maximum of Rs 953 to Rs 1,144

(h) For the payment of rent up to a maximum of Rs 1,414 instead of Rs 1,178.

421. In fact, the minimum social aid for a family is Rs 1,303.

422. The Funeral Grant in the event of the death of the head of the family or any of his dependents is also being increased from Rs 10,300 to Rs 12,360.
423. Under social aid, we are also increasing the daily allowance: -

(a) For residents of charitable institutions by 20 percent up to Rs 864;

(b) For cyclone and flood victims from Rs 188 to Rs 250; and

(c) For fishermen in case of bad weather from Rs 475 to Rs 575.

424. For households with a monthly income of less than Rs 30,000, I am increasing the financial assistance for the purchase of: -

(a) Spectacles from Rs 2,000 to Rs 5,000;

(b) Wheelchairs from Rs 5,000 to Rs 10,000; and

(c) Hearing aids from Rs 5,000 to Rs 10,000.

For Better Inclusiveness

Mr Speaker, Sir,

425. Vulnerability leading to social exclusion is a risk that we don’t want any of our citizens to face.

426. Covid-19 has put to the test our social resilience.

427. It is in the most difficult of times that you challenge yourself and go beyond the norms, both individually and collectively.

428. Throughout the pandemic, we have seen a formidable sense of solidarity amongst Mauritians.
429. They have supported each other individually and through NGOs.

430. We will build on this momentum to further back our NGOs and charitable institutions in the impressive work they do.

431. For charitable and religious institutions, we are:

(a) Increasing by 5 percent the grant under the Per Capita Subsidy Scheme and the Fixed Grant Scheme;

(b) Providing a one-off assistance of Rs 10 million to religious bodies given the sanitary restrictions at places of worship; and

(c) Exempting them from payment of wastewater charges.

432. The National Social Inclusion Foundation (NSIF) will increase its budget to support programmes and projects of NGOs from Rs 900 million to Rs 1.1 billion.

433. This includes:

(a) Rs 200 million to support children in Residential Care Institutions;

(b) Rs 35 million on a programme for vulnerable families under the National Database for vulnerable groups;

(c) Rs 15 million on a reintegration programme of patients from Brown Seaward Hospital; and

(d) Rs 10 million for a programme on homelessness.
Moreover, a one-off recognition scheme will be introduced for staff members of NGOs at the time of retirement in recognition of their long and dedicated work in favour of the vulnerable.

**Improving the Lives of People with a Disability**

Mr Speaker, Sir,

435. Disabled people are also experiencing higher costs.

436. We need to further help them to meet their everyday needs.

437. Bedridden and severely disabled inmates of charitable institutions will also benefit from the monthly Incontinence allowance of Rs 1,500.

438. To facilitate the lives of persons with hearing impairments: -

   (a) The frequency of the news bulletin in Mauritian Sign Language will be increased to twice weekly; and

   (b) 60 public officers will be trained in Mauritian sign language to enable easier access to public services.

439. Moreover, to facilitate access of the disabled to the beach, 40 Floating Beach Wheelchairs and Beach Access Mats will be acquired.

440. Individuals suffering from a disability of less than 60 percent are not considered for the Basic Invalid’s Pension.
Mr Speaker, Sir,

441. This is unfair.

442. And this Government cannot remain indifferent to it.

443. For those who suffer from a disability between 40 and 59 percent, we are introducing a monthly CSG Disability Allowance of Rs 2,500.

444. This monthly financial support for some 10,000 individuals will be over and above existing benefits under social aid.

For Our Elderly

Mr Speaker, Sir,

445. Our elderly are those who have made the success of Mauritius.

446. Today, what we have achieved as a nation, we owe it to them.

447. We owe it to their devotion, their effort, their sacrifice, their passion for building this country.

448. They deserve all our respect, our support and our affection.

449. Two years ago, despite the economic downturn, we didn't flinch and we didn't hesitate to keep the basic retirement pension, basic widow’s pension and basic invalid pension at Rs 9,000.

450. Today, they are severely impacted by rising prices.
451. We need to further support them.

452. As from the 1st of July 2022, 300,000 pensioners will now earn higher benefits.

453. Indeed, Government is increasing all basic pensions by Rs 1,000.

454. The Basic Retirement Pension, the Basic Widow's Pension, and the Basic Invalid Pension, will increase from Rs 9,000 to Rs 10,000, that is 11 percent more.

455. We are also increasing the Basic Orphan’s Pension by Rs 1,000.

456. Moreover, beneficiaries of basic pensions will henceforth benefit from the monthly child allowance of Rs 1,700 for dependent children up to 23 years attending university.

457. We are extending the basic widow pension to Muslim widows through tardy registration of religious marriage before the Muslim Family Council.

Mr Speaker, Sir,

458. The older we are, the more costly life becomes.

459. Two years ago, we reformed our retirement system to make it more equitable and sustainable through the Contribution Sociale Généralisée (CSG).

460. Today, our policy choices are paying off.
461. We are able to guarantee an additional Rs 1,000 to all Mauritians aged 65 and above under the CSG Retirement Benefit.

462. Thus, an individual having reached 65 years will earn a total monthly benefit of Rs 11,000.

**For Our People**

Mr Speaker, Sir,

463. Besides the support to the vulnerable, the disabled, and the pensioners, we are also giving a special attention to those who do not need our support in normal times.

464. They are also affected by rising cost of living.

465. We can and we need to ease their burden throughout these trying times.

466. This Government will support Mauritian families in their purchasing power.

467. It is our priority.

Mr Speaker, Sir,

468. We will support them in the welfare and education of their children, in the healthcare of their families, and in preparing for the future.
469. To accompany growing families, a baby bonus of Rs 1,000 will be provided to parents of every new-born as from 1st July 2022.

470. Moreover, parents will be allowed to take up to 10 days of their sick leaves to take care of their children with healthcare related issues.

471. We will further support middle-income earners by increasing the tax allowances and further decreasing the tax payable by individuals. We are: -

(a) Increasing the maximum tax exemption in respect of a child pursuing tertiary education from Rs 225,000 to Rs 500,000;

(b) Increasing the maximum deduction for medical insurance premiums from:

i. Rs 20,000 to Rs 25,000 for an individual and his first dependent; and

ii. Rs 15,000 to Rs 20,000 for every other dependent.

(c) Increasing the exemption in respect of donations made to an approved religious body or charitable NGO from Rs 30,000 to Rs 50,000; and

(d) Increasing the exemption in respect of an individual pension scheme from Rs 30,000 to Rs 50,000.
472. To increase the standard of living of middle-income earners, we are making our income tax regime even more progressive and fairer.

473. For those earning between Rs 25,000 to Rs 53,846 monthly, that is Rs 700,000 annually, the income tax rate shall be at 10 percent.

474. For those earning more than Rs 53,846 and up to Rs 75,000 monthly, that is Rs 975,000 annually, we are reducing the income tax rate from 15 percent to 12.5 percent.

475. By doing so, some 100,000 income earners will thus have higher disposable income.

476. Petrol and travelling allowance will be increased by 10 percent up to a maximum of Rs 2,000.

477. And, the exemption of travelling allowances deductible from income tax will be increased from Rs 11,500 currently to Rs 20,000.

Mr Speaker, Sir

478. The rising cost of living is affecting not only the most vulnerable but also the middle-income earners.

479. This Government is conscious that they both require direct relief now.
Whilst the middle class is usually able to cater for their families, today it is irrefutable that they also need support.

We are responding to their call.

Is it the right thing to do?

The answer can only be yes.

No one I am sure believes that we should leave them unsupported.

This is why, Mr Speaker, Sir, we are providing a direct monthly income allowance of Rs 1,000 to those earning a gross income of up to Rs 50,000.

This CSG income allowance will provide within weeks a support of Rs 1,000 every month to some 350,000 employees and registered self-employed individuals.

By providing some Rs 13,000 of direct relief to the vast majority of the working population, we are ensuring that no one is left behind.

This is our strategy.

This is our philosophy.

This is the vision of our Prime Minister.

For the People, By the People.
Mr Speaker, Sir,

492. Before concluding, I would like to place on record the unflinching support of the Honourable Prime Minister without whom this Budget would not have been a reality.

493. Furthermore, I would like to thank my colleague Ministers and their staff for their inputs in the preparation of this Budget.

494. I would also like to express my deepest gratitude to my team, in particular the Financial Secretary, the Deputy Financial Secretaries and the staff of my Ministry for their unwavering commitment.

495. Finally, I would like to extend my appreciation to the stakeholders who have shared their views and all those who contributed to the preparation of this budget.

496. We have given due consideration to their suggestions.

CONCLUSION

497. Mr Speaker, Sir, this Budget is all about people.

498. 350,000 individuals will obtain a monthly income allowance.

499. 300,000 individuals will see an increase in their pensions.

500. 189,000 youths will receive a Pass’Sport Culture.

501. 169,000 retirees will get a CSG Retirement Benefit.
502. 110,000 households will no longer pay the municipal tax on their residence.

503. 100,000 income tax payers will have more money in their pocket.

504. 18,000 households will benefit from an increased support under social aid and SRM.

505. 13,000 families will receive a baby bonus.

506. 10,000 individuals will now earn a CSG Disability Allowance.

507. And, 10,000 youths and women will be eligible to a Prime à l’Emploi.

Mr Speaker, Sir,

508. Let us make no mistake.

509. The measures unveiled today are certainly not a cost.

510. They are an investment.

511. An investment in our country.

512. An investment in our future.

513. An investment in our people.

514. Thank you.

515. I now commend the Bill to the House.