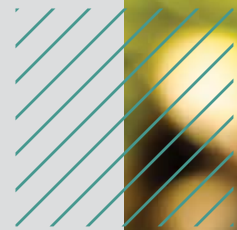


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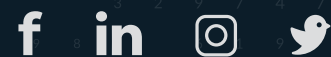
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A close-up photograph of a hand placing a white wooden letter 'T' on a sandy surface. The word 'CONTENT' is being formed by several other white wooden letters already standing upright in the sand. The scene is dimly lit, with soft shadows cast by the letters and the hand. A white rectangular frame is overlaid on the left side of the image, containing the text 'TABLE OF CONTENTS' in a clean, sans-serif font.

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1

CHAIRMAN'S
MESSAGE

Valued Stakeholders,

As Chairman of the Economic Development Board since March 2020, it is my honour and privilege to write the foreword of the Economic Development Board (EDB) for its very first Annual Report for the period 15 January 2018 to 30 June 2019.

Following the merger of the three institutions, namely the Board of Investment, Enterprise Mauritius, and the Financial Services Promotion Agency, the EDB's inception was motivated by the principles of avoiding duplication in global promotion and marketing of Mauritius, rationalizing efforts and leveraging on the strengths to create synergetic capacity to face an increasingly complex global economy.

The Economic Development Board is today a key institution of Government tasked with the mandate, under the law, to support strategic economic planning, promote Mauritius as an attractive investment and business centre, a competitive export platform as well as an international financial centre. It is also bestowed with the responsibility for country branding for investment promotion, facilitate both inward and outward investment and ensure a conducive business environment. We are the key driver of change on the transformative journey, embarked by Government, to ensure sustainable and inclusive growth, and prosperity for the nation.

The Board remains resolutely committed to work collectively to fulfill this broad and wide encompassing mandate. We will build on the work done by the previous board of Directors and I take this opportunity here to thank them for successfully steering the integration process and laying down the foundations of the EDB as a key institution of our country. We will now continue on this journey, leverage on the strengths, reinforce the structures and capacity of the institution to deliver fully to expectations. Since the new Board was constituted, we have reinforced the governance structure with two additional subcommittees focused on Project Implementation and Monitoring and Strategic Economy and Business Policy. We are now developing the right strategic initiatives to nurture innovation in all economic spheres, clusters and industries. A new mindset, a new structure and a new philosophy are the stones we aim at adding to this edifice and make of EDB an institution "par excellence" and a front runner for the new Mauritius.

To ensure the visibility of our economy and to convey the Mauritius brand in general, we are optimizing on the foreign offices for more focused and targeted promotion on both the trade and investment sides. EDB is developing new data driven tools, mathematical models and instruments to better service the business community in identifying markets. The adoption of these innovative and novel methodologies has become, in this day and age, imperative to predict accurately macroeconomic shifts and influences to consequently devise appropriate response strategies for investment and trade promotion.

We are paying particular attention to the industrial and export strategy to ensure that the industrial base remains relevant and resilient. Despite reduced mobility due to the Covid-19 crisis, we are leveraging on constant virtual events to promote our goods and services. We also firmly believe that Mauritius will need to rise to a next level of modernity and sophistication in its products and services. We are therefore playing an active role with other stakeholders to redefine the innovation landscape by supporting start-ups, innovative ventures and technological adoption in the industries and sectors.

Competitiveness of the country remains key on our agenda and we will therefore foster openness to disruptive changes that are being directed by new processes, economic paradigms and technologies. Going forward, the EDB will be called upon to play an even greater role in re-shaping the future of the country namely in defining new growth poles which will sustain economic growth and generate jobs of the future. This is why we are swiftly coming forward with new schemes and positioning beyond ongoing projects like the Smart and Innovative Mauritius Development Scheme, the E-Commerce Scheme, the biotechnology venture, among others. As Chairman of the EDB, it is my urge to all of Mauritius to support in these journeys and together we shall shape new milestones of a successful Mauritius – a development path which will be inclusive and sustainable.

I acknowledge that the powers conferred to the EDB are only surpassed by the level of responsibility that they entail. We view this as an asset and as an opportunity to live up to the expectations to make Mauritius an even better place for business to happen and to craft a brighter future for the population of Mauritius and the next generations.

Signing off, I would like to thank the Board Members of the EDB, the management team, the staff, our stakeholders with a special mention for our parent ministry for their valuable contributions and support.



Hemraj Ramnial, CSK
Chairman



2

MESSAGE
OF AG. CEO



Ken Poonoosamy
Ag. CEO, EDB

Dear Valued Stakeholders,

The year 2020 has been marked by the emergence of the COVID-19 pandemic disrupting the global economy with severe ripple effects that have triggered an economic crisis as never witnessed before in Mauritius.

During this period of uncertainty, the Economic Development Board played an instrumental role by strengthening its online presence to provide COVID-related information to the investors and business community. EDB has shown proactiveness and agility to support the needs and requirements of the business community despite the national lockdown. Moreover, the institution has proactively assisted investors to make well-informed decisions to keep their existing operations afloat and prepare for the rebound. As such, the EDB website has been acclaimed by UNCTAD for strengthening transparency and communication on COVID-19 by informing investors on relevant measures and possible impact on their operations.

Going forward, the EDB reiterates its commitment to focus on investor retention by engaging and maintaining contact with existing investors. The institution is working on a holistic and innovative approach to promote key sectors of the economy especially geared towards new poles of growth including the pharmaceutical sector, high-tech & sustainable manufacturing whilst bolstering research and development to adapt to the post-COVID business climate.

As the impacts of the pandemic continue to prevail, we realize that the creation of EDB came at an opportune time and that the institutional realignment conducted in January 2018 was implemented to better enhance the resilience of our economy to withstand exogenous shocks while enabling us to craft an ambitious and prosperous future.

It is worth highlighting some of the key achievements of EDB in reconciling trade and investment promotion while embedding economic planning and strengthening ease of doing business in Mauritius.

Accelerate, Diversify & Innovate

During the year under review, the strategy adopted by EDB hinged on accelerating investment and growth in well-established clusters of the economy spanning from financial services, textile, hospitality, seafood, logistics to agro industry while diversifying the offering in high growth sectors such as the medical, pharmaceutical and port related clusters. We also reached out to the World to attract and nurture greater innovation by fostering investment and supporting initiatives in high tech fields including fintech, biotechnology, artificial intelligence, research and development.

Ease of Doing Business

2018/2019 saw Mauritius continually improving and consolidating its hegemonic position in Africa and globally by joining the league of top 20 countries in the ease of doing business. The outstanding performance of Mauritius in the World Bank Doing Business report stems from the collective, sustained and inordinate efforts of Government, public sector agencies as well as private sector stakeholders. By working in synergy with all economic players and with the political commitment at the highest level, Mauritius is continuing its journey on the path towards excellence and engaging in broad ranging reforms to make the business climate more friendly. The ultimate objective is to position Mauritius as one of the best place to do business and join the league of 10 best countries in the ranking of World Bank in the ease of doing business. The EDB, for its part, has risen to the challenge by fulfilling squarely its mandate bestowed to it under the Economic Development Act in driving the business reform agenda.

Attracting FDI

While we kept consolidating the economic fundamentals to fuel buoyant results, Mauritius continues to be successful in attracting Foreign Direct Investment despite the gloomy international backdrop marked by escalating trade tensions and dampened investor confidence levels constraining FDI outflows across the globe.

This is testified by the upsurge in Foreign Direct Investment inflows recorded in 2019. The Mauritian economy witnessed a surge in Foreign Direct Investment inflows from MUR 20 bn in 2018 to reach MUR 21.3 bn in 2019.

To bolster the development of our traditional markets and exploit avenues in new and emerging markets, we have devised a full-fledged strategy to reinforce our global presence. An on-field approach has been adopted with the support of economic counsellors in key markets to ensure proximity with investors. Accordingly, EDB has signed an MoU with the Ministry of Foreign Affairs to ensure a formal collaboration and more coherence in the delivery of promotional initiatives overseas. As such, counsellors on economic Matters have been posted in London, Geneva, Washington DC, Moscow, Pretoria and Canberra. EDB has opened new overseas offices in China, Japan and Singapore in 2019.

Africa Strategy

Another focus of our approach is the Africa Strategy which is deeply rooted in our vision to promote a sustained prosperity between Mauritius and the continent. In this context, the Economic Development Board has spearheaded key initiatives to promote Mauritius as a platform for the continent and consolidate the position of Mauritius as the undisputed trade and investment jurisdiction for Africa. In this perspective, the Economic Development Board participated as a country sponsor at the 7th Edition of the Africa CEO forum on the 25th and 26th March 2019, which was held at the Kigali Convention Centre in Rwanda. Moreover, the EDB has organized three business forums namely with Mozambique, Madagascar and Kenya and continues to play a pivotal role in the development of SEZs while consolidating G-to-G collaboration with selected African countries.



Another milestone of EDB is the introduction of new poles of growth such as the sports economy and the silver economy.

The development of a vibrant sports economy

EDB has initiated the development of a 'sports economy' as an emerging sector to achieve social integration, empower women, improve the quality of life and well-being and create a strong international identity through elite and internationally practiced world-renowned sports.

Promoting the Silver Economy as a new cluster of activity

Mauritius has all the assets to position itself as a Silver Economy. This implies services related to the elderly and includes all the economic activities relevant to the needs of older adults, and their impact on sectors such as health and nutrition, leisure and wellbeing, finance and transport, housing, education and employment. The objective is to attract 5,000 foreign retirees to boost consumption to MUR 3.3 billion over one year.

PR Campaigns

The Economic Development Board has initiated a series of communication and PR initiatives to develop and nurture the image of Mauritius as a thriving investment center with broad-based activities. In this context, our communication strategy was enhanced through our partnership with key foreign media namely, Forbes, Japan Times, Newsweek, CGTN, South China Morning Post, amongst others.

A comprehensive communication strategy has also been devised and implemented to address the reputational and image issues of the Mauritius International Financial Centre (MIFC).

In this perspective, EDB had retained the services of international PR firm, Burson Cohn & Wolfe (BCW), to develop and implement a full-fledged PR and communication strategy. MSL Group was also appointed to implement a short-term crisis communication pertaining to the Mauritius Leaks. Furthermore, a full-fledged PR Committee with industry stakeholders was established by EDB to outline a PR plan to enhance the positioning of Mauritius as a world class IFC of substance which acts as a driver and facilitator for the growing prosperity of Africa.

On this note, let me end by thanking the Board of 2018/2019 led by Mr. Joseph E. Charles Cartier, the Ex-Chairman, Mr. Azim F. Currimjee, the Ex-Vice Chairman, Board Members (2018-2020), Mr. François Guibert, Ex-Chief Executive Officer, the management team and the staff of EDB.

Ken Poonoosamy
Ag. CEO, EDB



3 INVESTMENT LANDSCAPE



Economic Review

3.1 Global Context

Global growth stood at 2.9% for year 2019, (World Economic Outlook June 2020), a figure which was revised downwards compared to previous projections amidst an increasingly difficult and volatile economic conjuncture.

The slowdown in global trade has been sharp and geographically broad-based, with trade volume growth stagnating at 1% for the first half of 2019, the weakest since 2012.

For 2019, growth for advanced economies was valued at 1.7% while growth for emerging markets and developing economies was valued at 3.7%. Growth in the Euro area has collapsed due to weak exports and Brexit related uncertainty weakening UK growth.

Expansionary monetary policy for 2019 was on the rise across both advanced and emerging markets, with major central banks acting promptly to reduce the downside risks to growth and the stimulus has helped to avoid lower global growth. The economies of China and the United States were also buoyed by fiscal stimulus, countering the negative impact of increasing tariffs due to the escalating trade wars between them.

In fact, this has helped counter to a certain degree lower investment which have come as a result of reduced trade activity in the United States as employment and consumption have remained robust.

The global economy remains at a challenging position, with on-going COVID-19 pandemic and policy induced uncertainties such as a Brexit or deepening trade disputes which are undermining investment and trade growth and job creation. According to World Economic Outlook, forecasted growth for the year 2020 is at -4.9%. For the first time, all regions are projected to experience negative growth in 2020. Growth in the advanced economy group is projected at -8.0 percent in 2020 whereas growth in the group of emerging market and developing economies is forecast at -3.0 percent in 2020.



Consumption is projected to strengthen gradually next year, and investment is also expected to firm up, but would remain subdued. Global GDP for the year 2021 as a whole is forecast to just exceed its 2019 level.



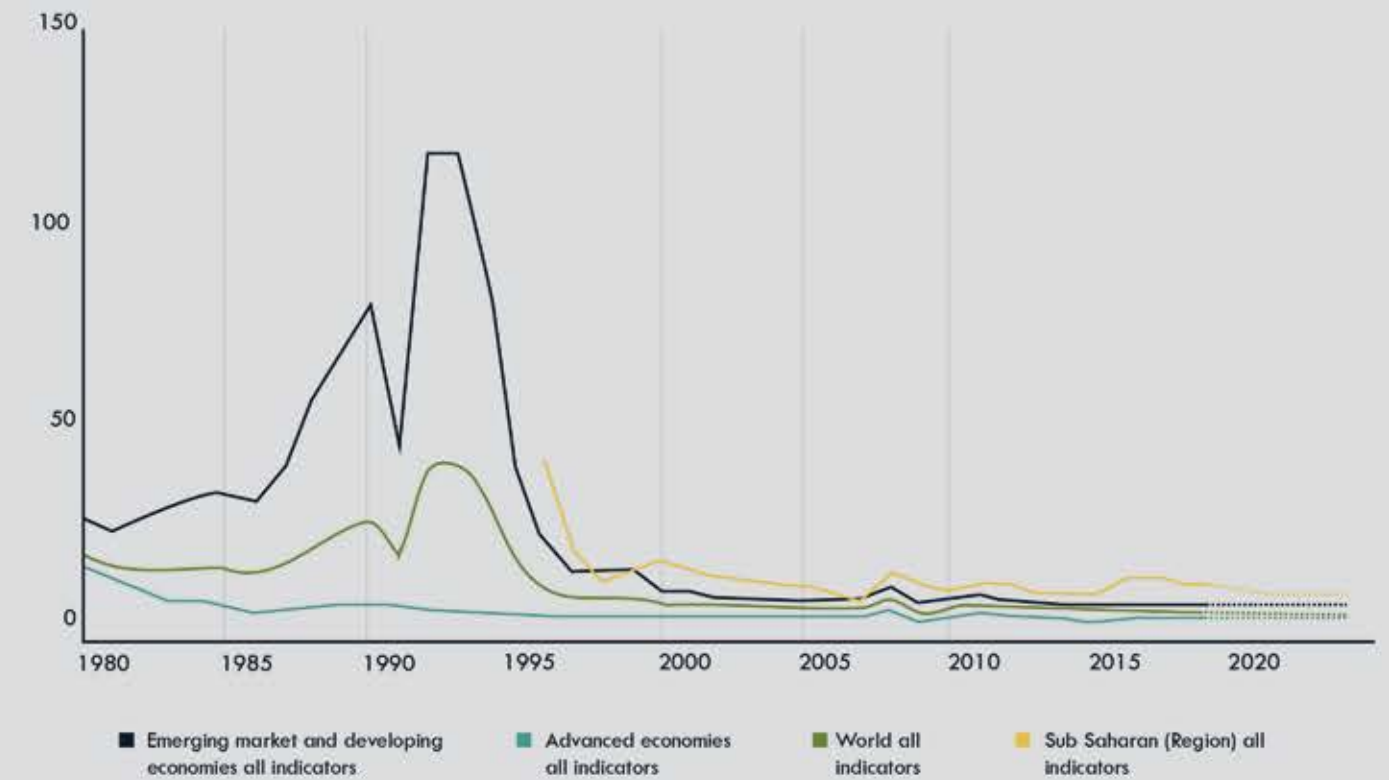
IMF, 2019, Source : World Economic Outlook (October 2019)



According to World Economic Outlook (June 2020), 2019 consumer price inflation was 1.4% for advanced economies and 5.1% for emerging market and developing countries. In 2020, inflation is anticipated to be 0.3% for advanced economies and 4.4% for emerging market and developing countries. Euro area will have inflation of 0.2% whereas USA will have inflation of 0.5%.

IMF DataMapper

Inflation rate, average consumer prices(Annual percent change)



IMF,2019 , Source : World Economic Outlook (October 2019)

On the investment front, global foreign direct investment was \$1.54 trillion in 2019 (UNCTAD World Investment Report 2020). FDI is projected to decrease by up to 40% in 2020, a further 5 to 10% in 2021 and to initiate a recovery in 2022.

3.2 Local Context

The growth rate of the Mauritian economy for 2019 is at 3 %, driven by growth in the construction sector (+5%), real estate activities (+5.9%), the ICT sector (+4.3%) and the financial and insurance sector (+11.8%).

INDICATORS	2017	2018	2019
Population	1.3 million	1.3 million	1.3 million
GDP growth rate	3.8%	3.8%	3.0%
GDP per capita	Rs. 361,456	Rs 380,266	Rs 393,643
Headline Inflation Rate	2.4%	4.3%	1.0%
GFCF growth	+4.7%	+ 10.9%	+6.2%
Imports of goods & services	Rs. 251 billion	Rs. 260 billion	Rs. 267 billion
Exports of goods & services	Rs. 194 billion	Rs. 197 billion	Rs 192 billion
Unemployment rate	7.1%	6.9%	6.7%
Tourist Arrivals	1.3 million	1.4 billion	1.4 billion
Gross Tourist Earnings	Rs. 60 billion	Rs. 64 billion	Rs. 63 billion

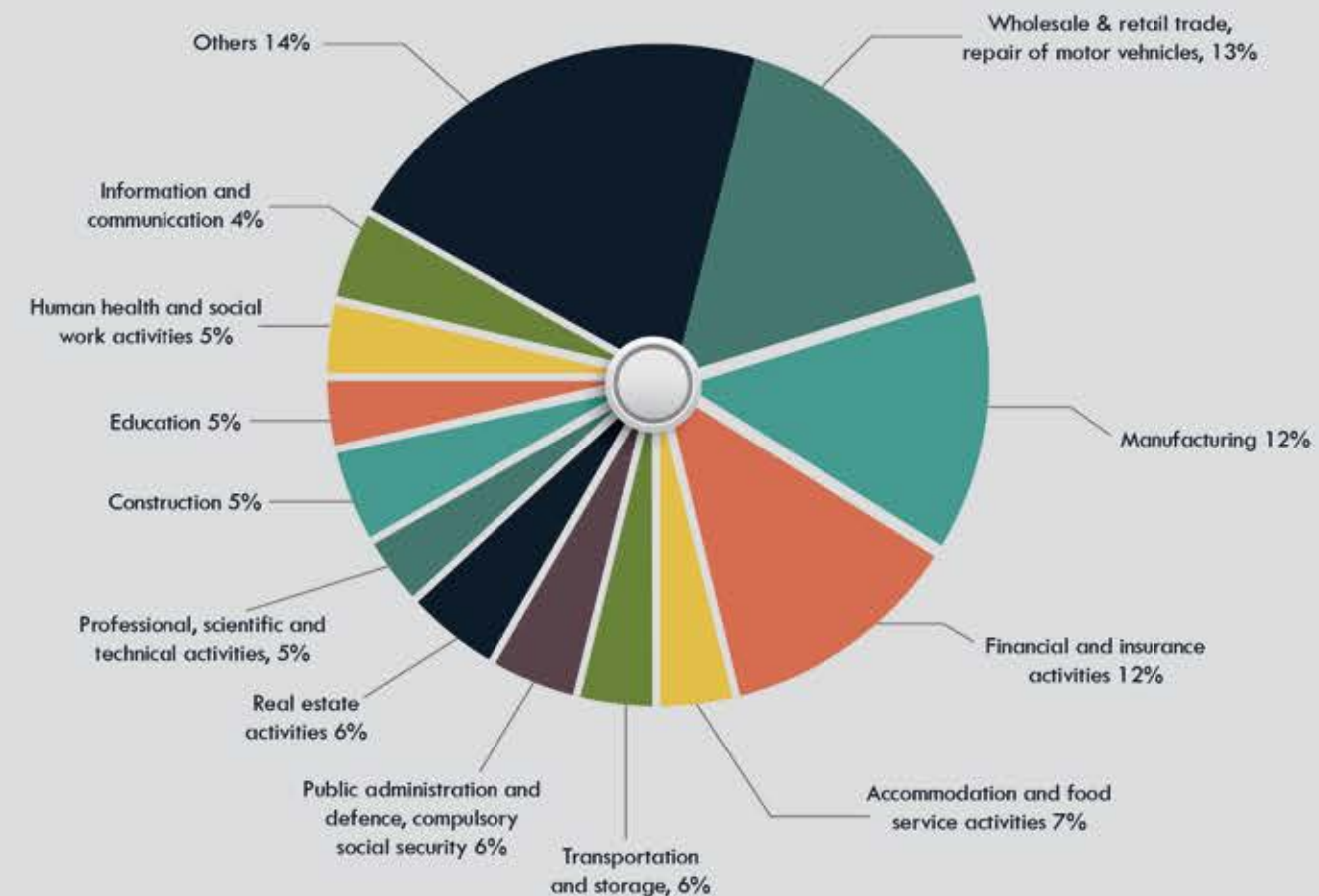
Source: NAE, June 2020

In terms of the country's economic structure, Mauritius pursues its general trend of moving towards the services economy with over 75% of output coming from the tertiary sectors of activity. Manufacturing remains the largest contributor however, representing 12.5% of output, followed closely by wholesale & retail and financial & insurance activities.





Percentage contribution of GVA by sector (2019)



Source: NAE, June 2020

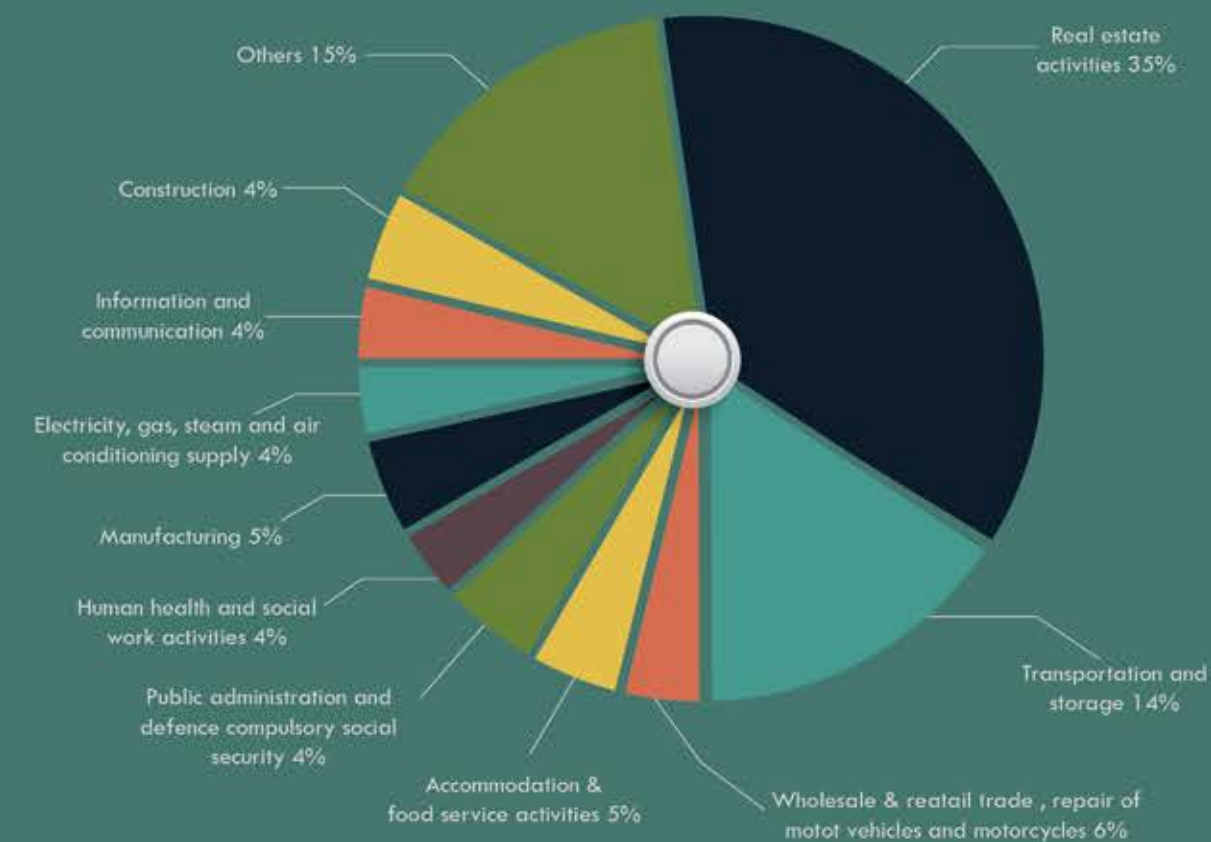
Total investment (GFCF) grew by 10.9% in 2018 and 6.2% for 2019. Public sector investment recorded a growth rate of 12.7% in 2018 and 19.5% in 2019 while private sector investment growth stood at 10.4 % and 2.1% for 2018 and 2019 respectively.

In terms of industrial use, real estate activities received the bulk of investment with Rs 34.0 billion estimated for 2019. Transport and storage received Rs 13.5 billion while wholesale and retail trade received Rs 6.3 billion for the same period.

Notable investments were also registered in accommodation & food service activities (Rs 5 billion) and manufacturing (Rs 4.3 billion).



3.2.1 GDFC by Industrial Use

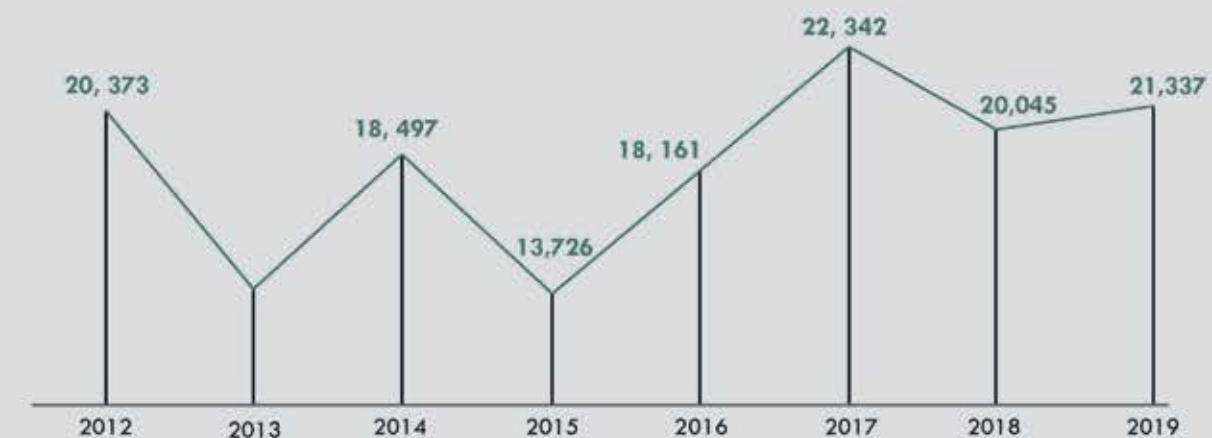


Source: NAE, June 2020

Foreign Direct Investment for 2018 reached Rs 21.3 billion in 2018 compared to Rs 20 billion in 2017. For the year of 2019, FDI inflows amounted to Rs 21.3 billion, out of which Rs 16.0 billion FDI were registered in the real estate segment.



3.2.2 Foreign Direct Investment (Rs Million)



Total exports for the year 2018 stood at Rs. 80.3 billion while the figures for 2019 stand at Rs. 79.0 billion. Total imports stand at Rs. 199 billion with trade deficit of Rs. 120 billion. The increase in investment through the purchase of high-end technology products (linear accelerator for cancer treatment, metro express) explains the addition to trade deficit.

3.2.3 Exports (Rs. Million)

Exports (Rs. Million)			
Export of goods	2017	2018	2019
Domestic exports	71,662	67,266	66,611
Re-exports	53,142	50,631	52,231
Ship's Stores and Bunkers	18,520	16,635	14,380
Total Exports	80,680	80,339	79,060



4

WORK &
LIVE IN
MAURITIUS



The excellence of Mauritius as a business-conducive environment is only bettered by the quality of life on offer. Mauritius is indeed a privileged country to live in, with its rich history and a mix of various cultural traditions, an attractive and thriving place to flourish, both for the individual and for businesses. Mauritius is home to the citizen of the world.

The opening of the economy in 2006, through the setting up of the Occupation Permit Unit, has had a favourable impact on the economic development of the country, with increased transfer of technology, knowledge, talents and capital complementing the local know-how and capacities.

The Occupation Permit, which is a combined work and residence permit, allows non-nationals to work and reside in Mauritius under 3 categories of permits namely investors, self-employed and professionals. Moreover, non-citizens above the age of 50 years, may also choose to retire in Mauritius under a Residence Permit.

In our continued effort to facilitate the process of issuing Occupation /Residence permits to foreign nationals the National Electronic Licensing System (NELS) was implemented in October 2018. This interactive and user-friendly platform allows online submission and processing of occupation and residence permits and has been developed to ease the application process, reduce waiting time, modernize the issuance of registration certificate as well as the payment of fees. Permits are being issued on the same day of appointment.

In its last budget, Government in its endeavour to develop further the country and taking into consideration the impact that the sustainable Silver Economy could bring to the country, lowered the monthly transfer of the retired non- citizens from USD 2500 to USD 1500.

The trend for the period January 2014 to June 2019.

From the period extending from January 2014 to June 2019, 15,573 Occupation Permits and 1145 Residence Permit were issued by the Occupation Permit Unit. Almost 80% of the applications received are in the category of professional, whilst 9% are investors, 4% are self-employed and 7 % are under the retired non-citizen category. By the end of June 2019, there were a total of 6991 active Occupation and Residence Permits as shown in Fig 2.

The chart below in Fig 1 provides an overview of the number of Occupation and Residence Permits processed as at June 2019. Over the years it has been noted that there is an increase in the number of Occupation permits/Residence Permit holders.



Figure 1: Occupation and Residence Permits processed from January 2014 to June 2019.

Number of OP/RP Processed

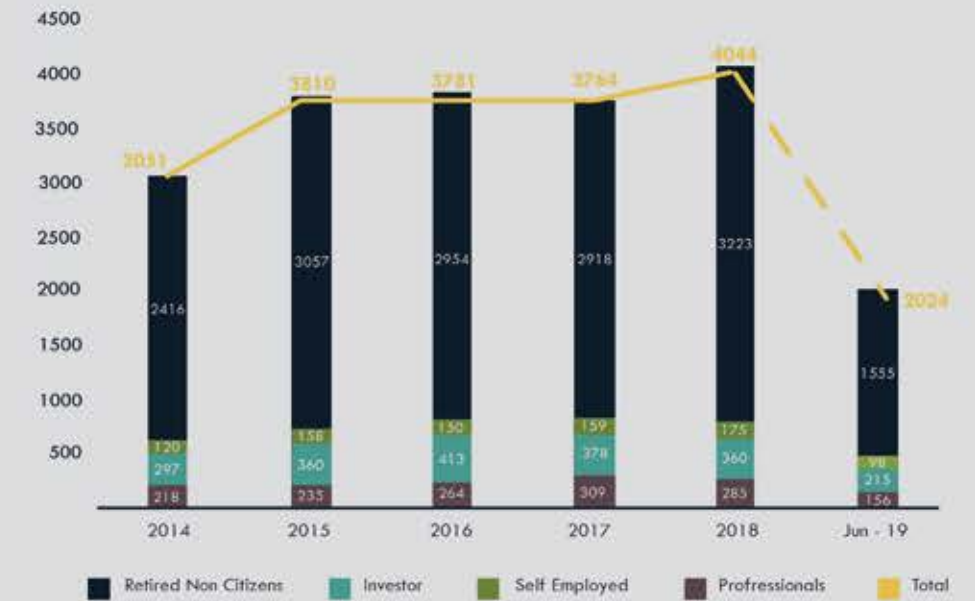


Figure 2: Number of active permits per category as at June 2019.

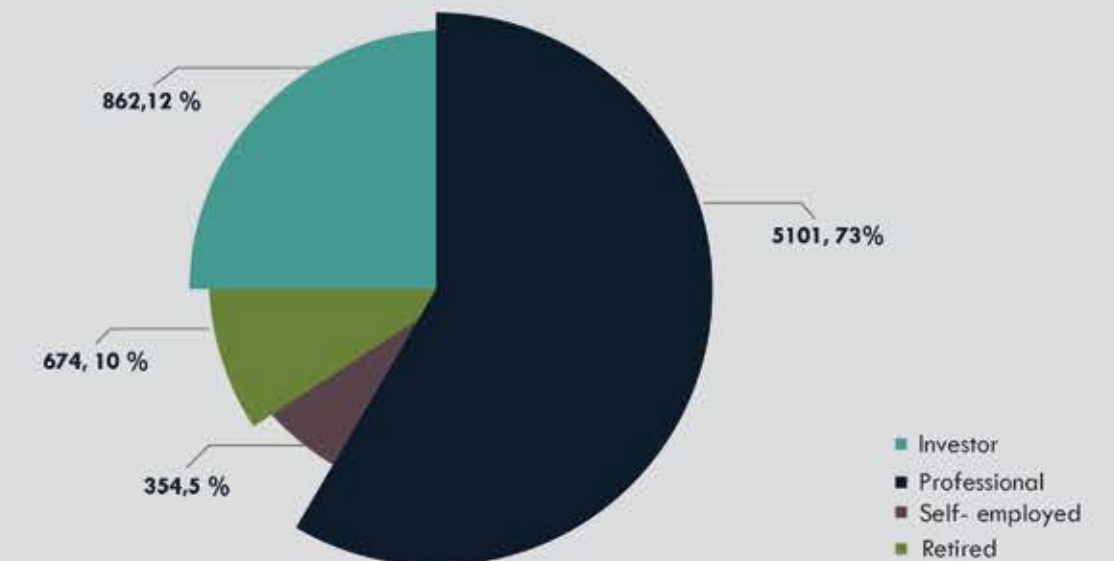
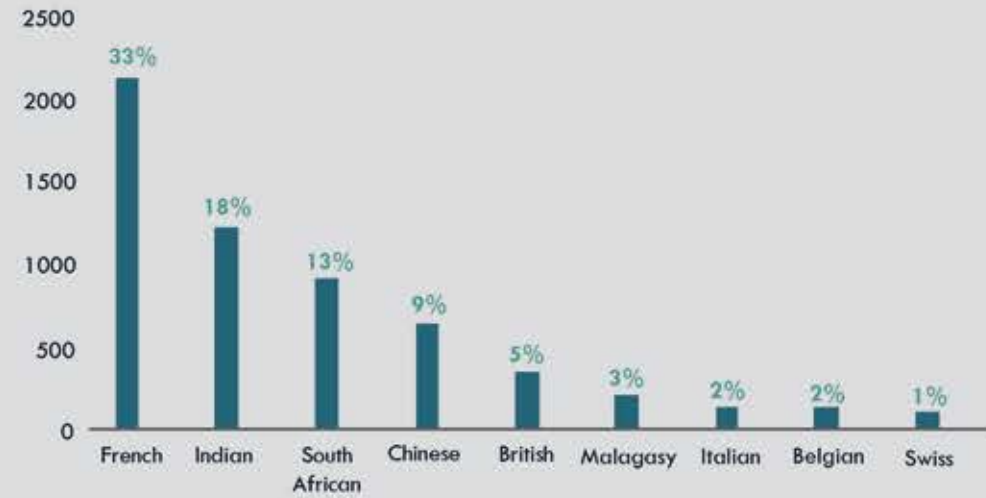
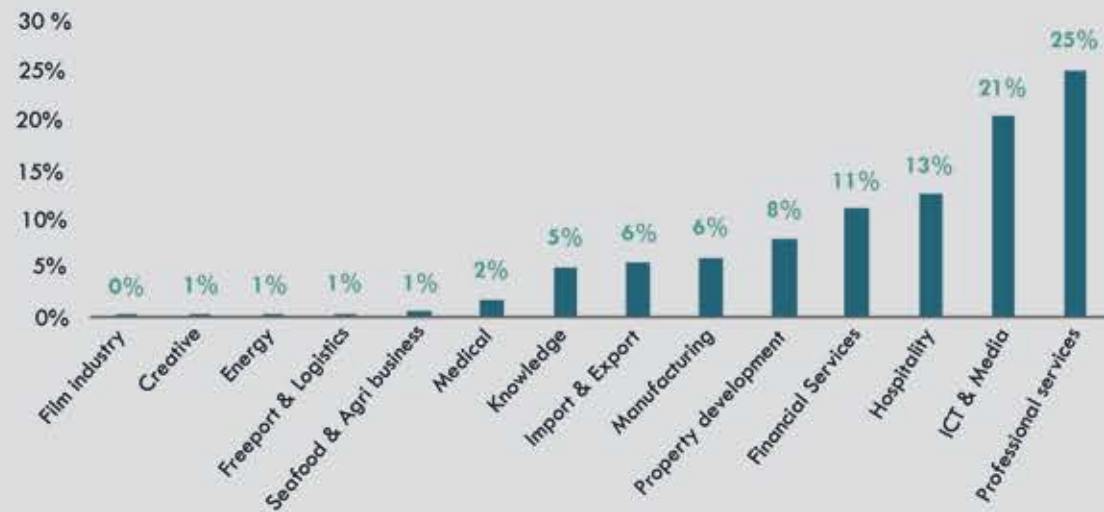


Figure 3: Nationalities as at June 2019



The French nationals rank first on the list of foreigners into the country followed by Indian and South African. Our traditional partners, France, India, South Africa and China remain an important source of investment, talent and skills for our economy.

Figure 4: Occupation Permits issued by sector of Activity for the period January 2014 up to June 2019.



It is noted that the main sectors of activities are the Professional services, ICT & Media, Hospitality, Financial Services, Property Development and Manufacturing as indicated in figure 4.





5

BROADENING
THE
NETWORK
OF
AGREEMENTS

Bilateral Agreements
Double Taxation Avoidance Agreements

	Partner Country	Date of Signature	Date of Entry into force
1	Belgium	04.07.1995	28.01.1999
2	Botswana	26.09.1995	13.03.1996
3	China	01.08.1994	05.05.1995
4	Croatia	06.09.2002	09.08.2003
5	Cyprus	21.01.2000	12.06.2000
6	France	11.12.1980	17.09.1982
7	Germany (NEW)	07.10.2011	07.12.2012
8	India	24.08.1982	11.06.1985
9	Italy	09.03.1990	28.04.1995
10	Kuwait	24.03.1997	01.09.1998
11	Lesotho	29.08.1997	09.09.2004
12	Luxembourg	15.02.1995	12.09.1996
13	Madagascar	30.08.1994	04.12.1995
14	Malaysia	23.08.1992	19.08.1993
15	Mozambique	14.02.1997	08.05.1999
16	Namibia	04.03.1995	25.07.1996
17	Nepal	03.08.1999	10.11.1999
18	Oman	30.03.1998	20.07.1998
19	Pakistan	03.09.1994	19.05.1995
20	Russian Federation	24.08.1995	*
21	Rwanda (NEW)	20.04.2013	04.08.2014
22	Senegal@	17.04.2002	15.09.2004
23	Singapore	19.08.1995	07.06.1996
24	Sri Lanka	12.03.1996	02.05.1997
25	South Africa (NEW)	17.05.2013	28.05.2015
26	Swaziland	29.06.1994	08.11.1994
27	Sweden (NEW)	01.12.2011	07.12.2012
28	Thailand	01.10.1997	10.06.1998
29	United Kingdom	11.02.1981	19.10.1981
30	Zimbabwe	06.03.1992	05.11.1992
31	Uganda	19.09.2003	21.07.2004
32	Barbados	28.09.2004	28.01.2005

	Partner Country	Date of Signature	Date of Entry into force
33.	Seychelles	11.03.2005	22.06.2005
34.	United Arab Emirates	18. 09. 2006	31.07.2007
35.	Tunisia	12.02. 2008	28.10.2008
36.	Qatar	28.07.2008	28.07.2009
37.	Bangladesh	21.12.2009	15. 09.2010
38.	Republic of Congo	20.12.2010	08.10.2014
39.	Zambia@	26.01.2011	04.06.2012
40.	Kenya**	10.04.2019	*
41.	Nigeria	10.08.2012	*
42.	Egypt	19.12.2012	10.03.2014
43.	Monaco	13.04.2013	08.08.2013
44.	Gabon	18.07.2013	*
45.	Guernsey	17.12.2013	30.06.2014
46.	Malta	15.10.2014	23.04.2015
47.	Morocco	25.11.2015	*
48.	Jersey	03.03.2017	19.12.2018
49.	Ghana	11.03.2017	22.01.2019
50.	Cabo Verde	13.04.2017	05.03.2018
51.	Comores	12.09.2018	*

*Awaiting ratification | **A Protocol signed on 16 Oct 2019 | @@DTAA terminated



Investment Promotion and Protection Agreements

	Partner Country	Date of Signature	Date of Entry into force
1.	Germany	25.05.1971	27.08.1973
2.	France#	22.03.1973	01.03.1974
3.	U.K and Northern Ireland	20.05.1986	13.10.1986
4.	China	04.05.1996	08.06.1997
5.	Mozambique	14.02.1997	26.05.2003
6.	Pakistan	03.04.1997	03.04.1997
7.	Indonesia	05.03.1997	28.03.2000
8.	Portugal	12.12.1997	03.01.1999
9.	South Africa	17.02.1998	07.10.1998
10.	India@	04.09.1998	20.06.2000
11.	Switzerland	26.11.1998	21.04.2000
12.	Czech Republic	05.04.1999	06.05.2000
13.	Nepal	03.08.1999	*
14.	Romania	20.01.2000	20.12.2000
15.	Singapore	04.03.2000	19.04.2000
16.	Swaziland	15.05.2000	*
17.	Zimbabwe	17.05.2000	*
18.	Benin	18.05.2001	*
19.	Burundi	18.05.2001	22.11.2009
20.	Ghana	18.05.2001	*
21.	Mauritania	18.05.2001	*
22.	Tchad	18.05.2001	*
23.	Comores	18.05.2001	*
24.	Guinea Republic	18.05.2001	*
25.	Rwanda	30.07.2001	*
26.	Cameroon	03.08.2001	*
27.	Sénégal	14.03.2002	14.10. 2009
28.	Sweden	23.02.2004	01.06.2005
29.	Madagascar	06.04.2004	29.12.2005
30.	Barbados	28.09.2004	18.06.2005
31.	Belgium/Luxemburg Economic Union	30.11.2005	16.01.2010
32.	Republic of Korea	18.06.2007	09.05.2008
33.	Finland	12.09.2007	17 10.2008
34.	Tanzania	04.05.2009	02.03.2013
35.	Republic of Congo	20.12.2010	15.12.2013
36.	Kenya	10.04.2019	30.05.2016
37.	Turkey	07.02.2013	30.05.2016
38.	Kuwait	18.04.2013	24.07.2014
39.	Gabon	18.07.2013	*
40.	Egypt	25.06.2014	17.10.2014
41.	Zambia	14.07.2015	06.05.2016
42.	United Arab Emirates	20.09.2015	28.12.2017
43.	Côte d'Ivoire	20.04.2016	*
44.	Sao Tomé and Principe	06.05.2016	*
45.	Cabo Verde	13.04.2017	07.03.2018

* Agreements awaiting ratification | #New Agreement signed but not ratified | @ IPPA terminated



6

STRATEGIC ECONOMIC PLANNING



The setting up of the Economic Development Board inscribes itself in a logic of increasing institutional capacity and rationalizing efforts to perform short, medium and long-term planning to enable the Mauritian economy to better sail through external and internal challenges and better capture opportunities. A Strategic Planning and Economic Development Directorate has therefore been set up within the institution to respond to the need for dynamic planning and structured policy advocacy in line with its mandate under the Economic Development Board Act 2017 which sets up the organization to, inter alia: clinical trials.

provide high-level strategic and policy advice to Government on economic policy formulation;

coordinate efforts across different institutions and public sector agencies for economic diversification, upgrading of existing economic sectors and promoting efficiency in export promotion

monitor and evaluate the outcomes of policies and projects

initiate and undertake necessary economic research at the macro-economic level, engage with stakeholders on economic matters and formulate investment and trade promotion policies, plans and strategies

Since the inception of the directorate in January 2018, a number of initiatives have been undertaken, independently as well as with the support of domestic stakeholders and international organisations to formulate the right proposals for the economy.

Budget memorandum

The Strategic Planning and Economic Development Directorate has submitted budget memoranda for the 2017/18 and 2018/19 national budgets to the Ministry of Finance and Economic Development following consultations with the business community. The documents included measures to improve the business environment, address systemic issues facing entrepreneurs in several sectors of activity as well as provide for schemes that would allow new and emerging sectors to thrive.

UN-GoM Strategic Partnership Framework

A Strategic Partnership Framework (SPF) Agreement for the period 2019-2023 was signed in August 2019 between the Government of Mauritius and the United Nations which aims to support the ongoing transformation of the Mauritian economy and society towards high income country status with sustainable job creation and economic growth. The Strategic Partnership Framework is based on six priority areas namely: Transformed businesses; Ageing society, health and labour market reforms; Ocean economy and tourism; Inclusive, quality education and skilling; Social protection and gender equality; and Resilience to climate change.

The Strategic Planning and Economic Development Directorate coordinated the drafting of the Agreement, organizing several workshops and meetings with different stakeholders from the Government in collaboration with a UN consultant.

Mauritius Artificial Intelligence Strategy

Following a budget announcement to set up a Mauritius Artificial Intelligence Council, an AI Working Group was instituted to draft an AI strategy for Mauritius, with concrete proposals on applications of AI as well as the development of the innovation ecosystem. The EDB was represented on the Working Group and acted as its secretariat, coordinating meetings and drafting the Mauritius AI Strategy report which was launched in November 2018.



Commission for Economic Affairs of the National Economic and Social Council

The Directorate has been active in advocating policies and collaborating with Government by coordinating the activities of the Commission for Economic Affairs of the National Economic and Social Council (NESC) and evaluating the recommendations from the various multi-stakeholder discussions held by the Commission. Four workshops were organized on themes of national interest, namely:

Agro-industry and food security (March 2019)

Manufacturing and textile (April 2019)



MSMEs and startups
(March 2019)

Demography, skills
mismatch and openness
(April 2019)

The reports from the NESC workshops were submitted to the Chairman of the Commission for economic affairs, and certain recommendations were included in the Budget memorandum submitted to the Ministry of Finance and Economic Development (MOFED).





World Bank Reimbursable Advisory Services

The Economic Development Board (EDB) enlisted the services of the World Bank for a technical advisory project under a RAS agreement, entitled "Transforming Strategic Planning for Economic Development". The objectives of the project are to strengthen EDB's strategic planning and performance monitoring and evaluation (PM&E) capacity and an evaluation for the economic development for Mauritius, with a focus on the ICT and manufacturing sectors. A first stocktaking mission took place in September 2019, with the different World Bank teams meeting with key industry stakeholders to apprise of the state of play of the planning framework and the current status of the two sectors identified. The final report is due in December 2020.

Brexit

The EDB was mandated by the Ministry of Finance and Economic Development following a cabinet decision to work with the Ministry of Foreign Affairs, Regional Integration and International Trade to come up with a report assessing the potential impact of Brexit on the Mauritian economy. The report also included the potential opportunities that could arise from Brexit for Mauritius in terms of trade in goods and financial services.

In addition, the EDB has participated in several Government initiatives, such as the Mauritius-India CECPA negotiations and the Mauritius China-FTA discussions, as well as participating on several forums to discuss on economic planning and policy making. For the future, the Directorate is working on building internal capacity with the development of a Computable General Equilibrium Model and a Gravity Model of International Trade to assist in evidence-based policy making.

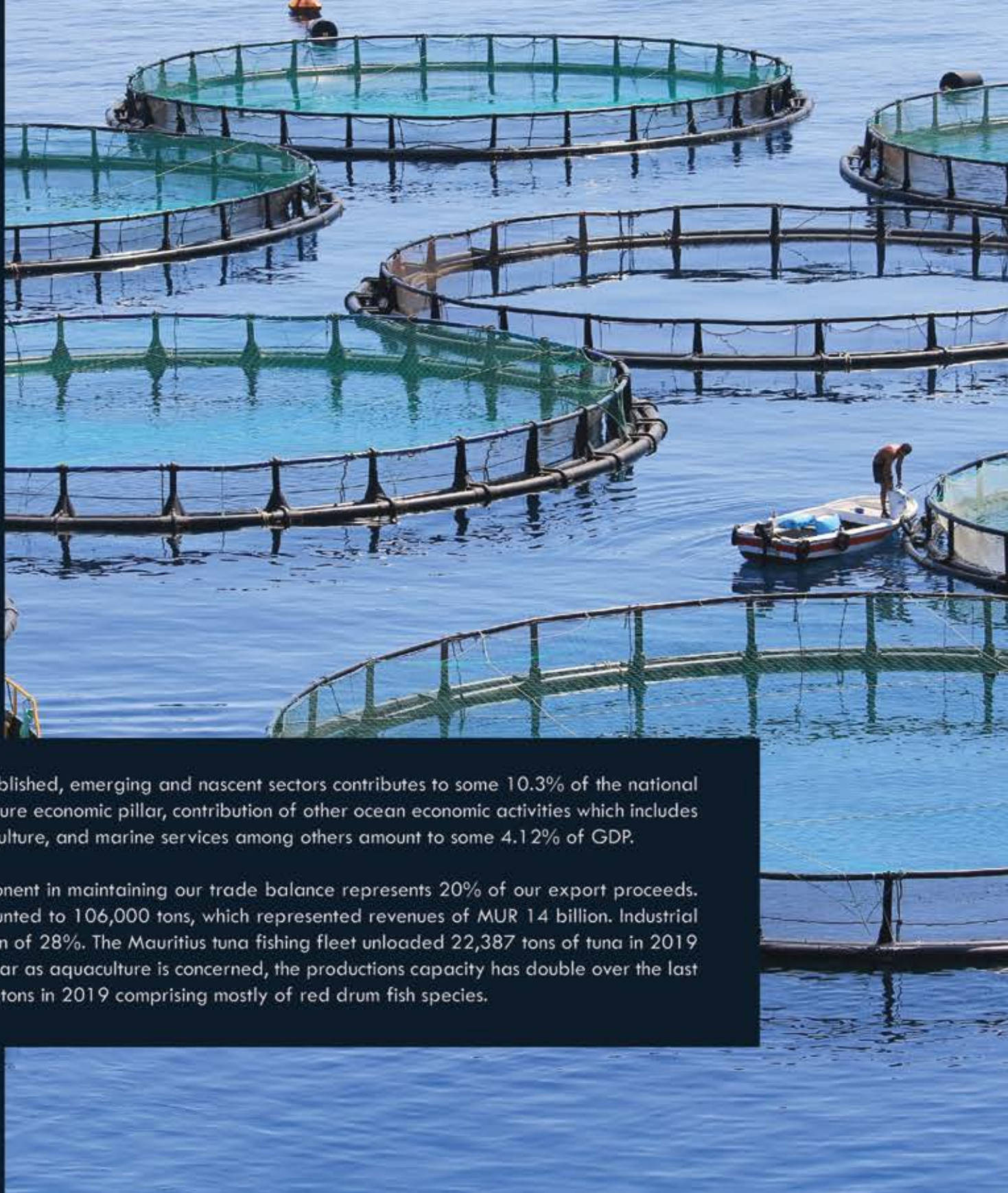
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SECTORAL REVIEW

Ocean Economy

The Ocean Economy which comprises established, emerging and nascent sectors contributes to some 10.3% of the national GDP. Albeit marine tourism, which is a mature economic pillar, contribution of other ocean economic activities which includes primarily port services, fishing and aquaculture, and marine services among others amount to some 4.12% of GDP.

The seafood sector, a fundamental component in maintaining our trade balance represents 20% of our export proceeds. Seafood exports in terms of volume amounted to 106,000 tons, which represented revenues of MUR 14 billion. Industrial fishing activities saw a marked progression of 28%. The Mauritius tuna fishing fleet unloaded 22,387 tons of tuna in 2019 as compared to 17,538 tons in 2017. As far as aquaculture is concerned, the productions capacity has double over the last 3 years from 1200 tons in 2017 to 2200 tons in 2019 comprising mostly of red drum fish species.



The seafood industry is currently greening up its operation to achieve a zero-waste strategy. Consequently, a project of MUR 600 million is being developed to treat industrial wastewater of the seafood industry to produce methane and other value-added products.

The projects pipeline for 2019 and onwards present a mix of seafood processing related investments, establishment of fishing fleets and development of traditional and innovative aquaculture projects.

Bunker trade at Port-Louis increased from 2014 to reach some 545,000 MT for FY 2018/2019. The entry of operation on new players and barges, fostered by incentives in the sector contributed to this increase. The National budget 2019/2020 had provided for a series on incentives to support the positioning of Mauritius as a regional bunker hub in light of the IMO 2020 regulations. To this effect, implementation of new land based and floating storage requiring investments of over MUR 1 billion are underway with an objective of increasing bunker trade at Por-Louis to 1 million MT in the medium term.

Development of emerging and nascent activities with multiplier effects on the economy is a fundamental part of the Government's strategy to reach out the full potential of the Ocean Economy.

For the year 2018-2019, the Economic Development Board (EDB) has been supportive of several research initiatives focused on the development of such emerging and nascent activities. Consultancy services were enlisted through a bilateral Australia- Mauritius collaboration to identify the opportunities for sea cucumber and pearl culture as niche activities. The EDB also partnered with the Department for Continental Shelf and Maritime Zones Administration and Exploration (CSMZAE) of the Ministry of Defence and Rodrigues on a project aiming at the identification of new aquaculture sites. This project was supported by the British High Commission through the provision of seed funding to foster innovative driven and sustainable aquaculture ventures.

In the field of oil and gas exploration, the EDB collaborated closely with Department for Continental Shelf and Maritime Zones Administration and Exploration (CSMZAE) to secure potential contractors for seismic surveys in our EEZ and the Joint Management Area (JMA) with the Seychelles. To that end, a contract has been awarded to Spectrum ASA at the beginning of 2018 to carry out a multi-client survey in the Mauritius-Seychelles Joint Management Area (JMA).

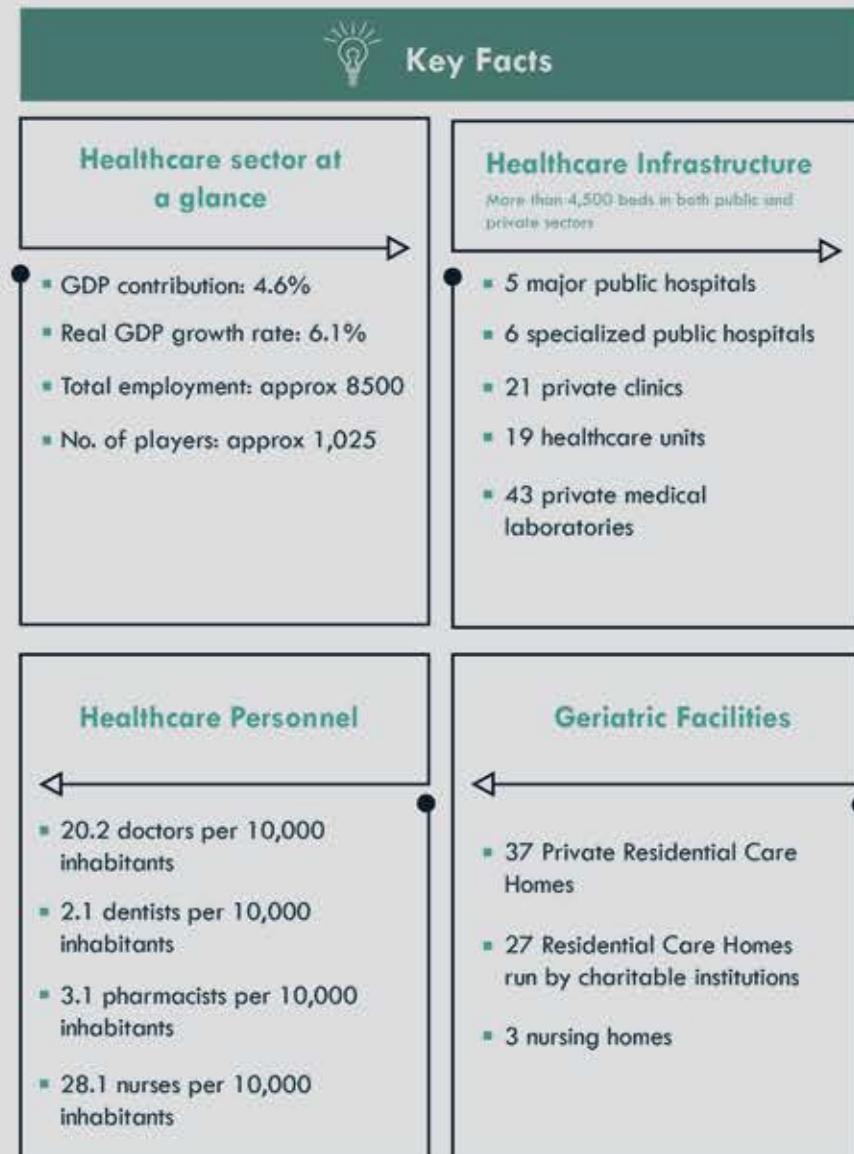


Renewable Energy

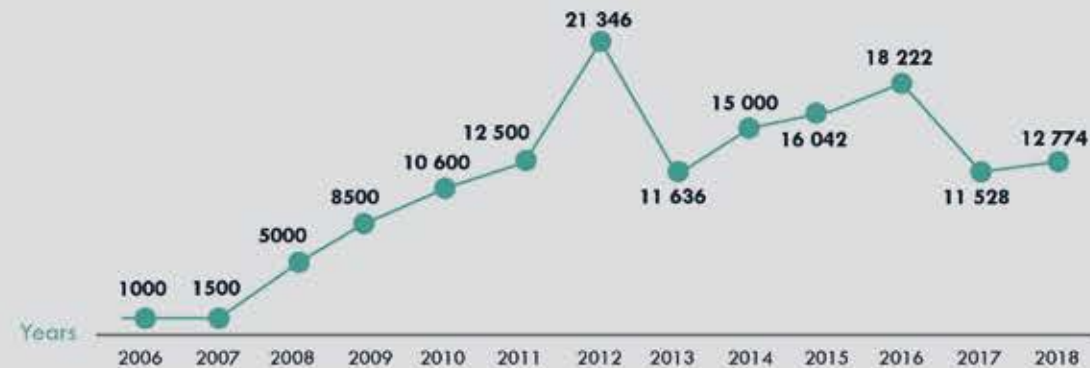
During the financial year under review, solar projects of some 60 MW requiring investment of some MUR 3 billion have been successfully commissioned. The EDB is also facilitating an innovative marine renewable energy project of MUR 180 million. These project would substantially contribute in achieving the set target of 40% of renewable energy in the electricity mix by 2030.

Healthcare & Biotechnology

With high end healthcare delivery, patient centricity, sustainable financial strategy and digitalization being at the forefront of the healthcare industry, diversification and innovation are required to sustain the growth of the industry. The healthcare sector in Mauritius now consists of an integrated cluster supported by a core group of high-value activities such as hi-tech medicine, medical tourism, medical education, research and wellness. The sector currently contributes 4.6 % to GDP with a real GDP growth rate of 6.1%.



Trend of Overseas Patients in private clinics



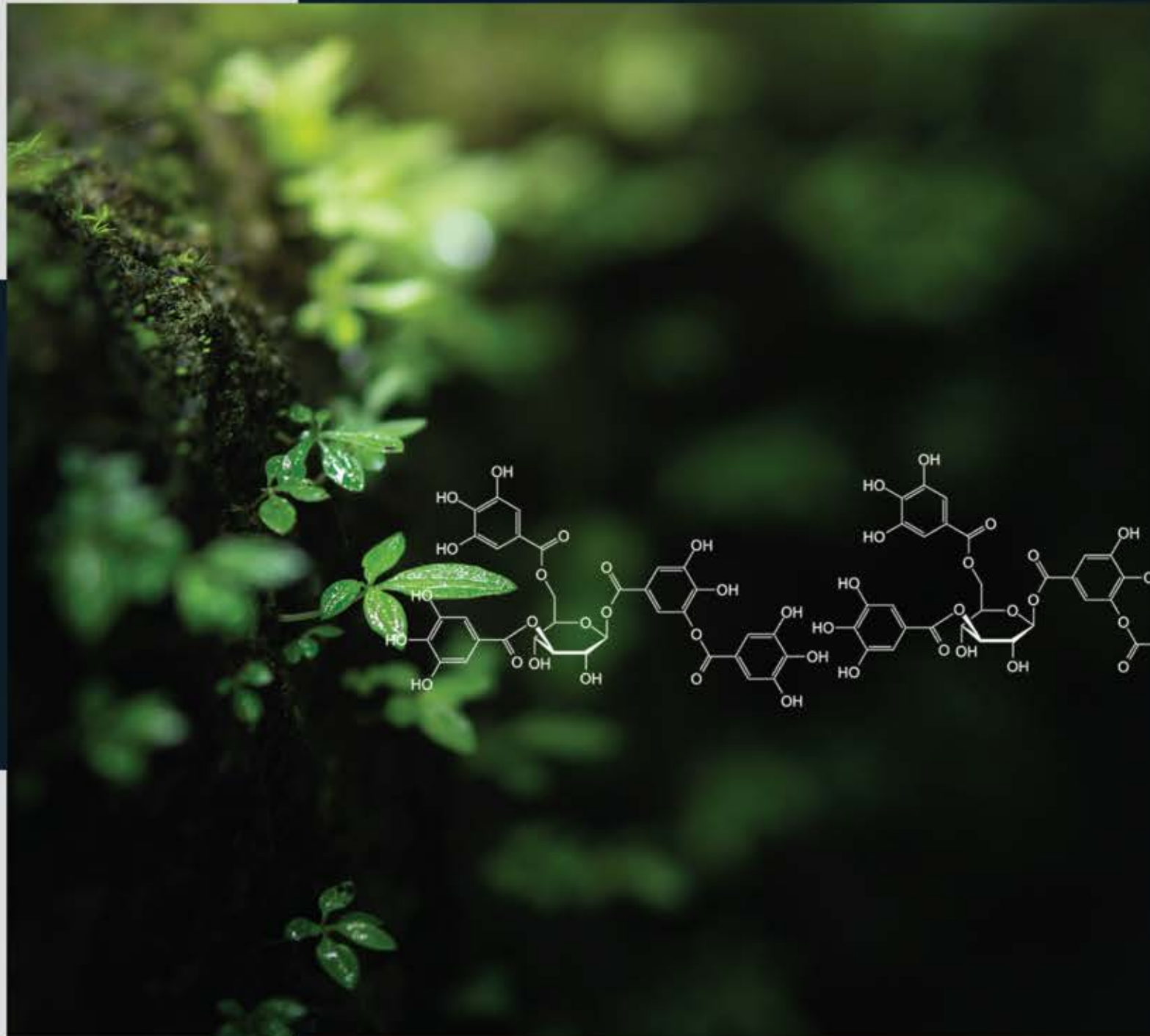
EDB has modified its strategy and has focused heavily on diversification. Much emphasis has been laid on attracting healthcare institutions in specific fields such as oncology, endocrinology and cardiology to cater for the growing needs of the Mauritian population. 2 major private hospital projects specializing in oncology and cardiology are being facilitated and are currently in implementation stages. FDI for these projects amount to approximately MUR 1.5 B. 5 luxury type residential care home/nursing home projects with local investment amounting to the tune of nearly MUR 2 B have been registered with the EDB and facilitation services are being provided.

It is essential for small island developing states such as Mauritius to be able to keep on a par with global shifts and maintain its competitiveness. Engaging in emerging sectors such as biotechnology provides the driving force energizing innovative processes which cuts across various industrial sectors such as pharmaceuticals, medicine, agriculture, food, chemicals, environment, and medical instruments and devices.

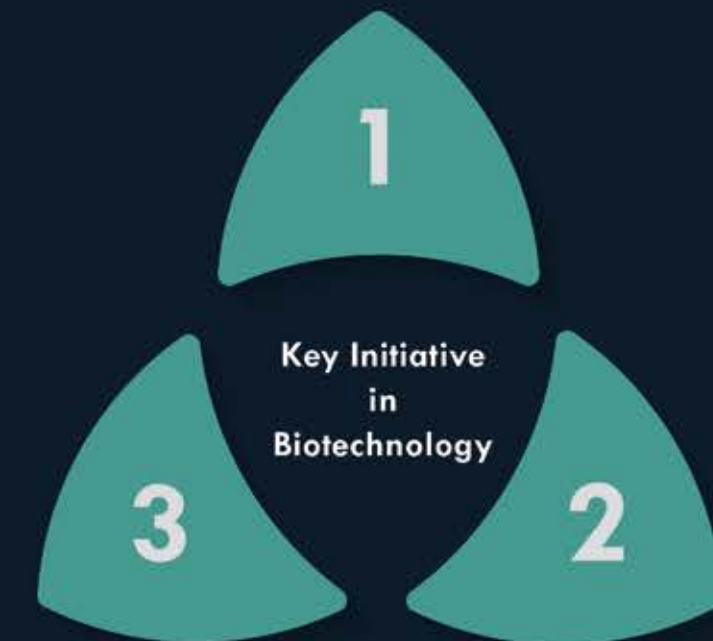
Quick Facts:

- Approx 24 companies involved in biotech applications
- Employment for the sector is approx. 1300
- Biotech sector revenue is approx. MUR 2.8 B
- 5 Contract Research Organisations involved in Clinical Trials
- More than 60 studies submitted to the Clinical Research Regulatory Council
- Trials on various pathologies such as Diabetes, Hepatitis, Lupus etc
- 2.3 million km2 exclusive economic zone with vast pool of marine biological resources





EDB has been very proactive in engaging in initiatives to tap into new ventures and develop the marine biotech sector. Procedures have been started off to launch an Eol to on potential exploration and exploitation avenues for the sector in our Exclusive Economic Zone (EEZ)



Amendment of the Clinical Trials Act 2011 to cater for regulations for trials involving medical devices and registration of Contract Research Organisation. Following consultation with stakeholders, EDB assisting in the drafting of regulations, finalisation of fee structure & launching of website for Clinical Trials.

Announcement of a regulatory framework to carry out research on stem cells. EDB working with regulatory authorities and relevant stakeholders to come up with a draft bill



Agro-Industry

The agro sector, once the backbone of the Mauritian economy, has seen its contribution to GDP growth seriously reduced over the years as a result of the multiple shocks that have affected exports of sugar to Europe. More recently, the combined effect of the complete dismantling of protections for sugar in Europe, inflationary food prices and the increasing effects of climate change have accentuated the pressure on the agro sector. Although, the latter remains an important sector from an employment, social and environmental perspective, its contribution to GDP represented 3.2% in 2018 compared with 9.7% in 1995.

Conscious of the challenges hindering growth in the sector, the Economic Development Board (EDB), guided by Government's vision, has spared no efforts to (i) enable and facilitate advancement of the agri-business sector, (ii) increase land productivity and sustainable production for exports, (iii) reduce dependency on imports, and (iv) drive the setting-up of an Agricultural Land Management System to bring unutilized and abandoned lands to productive use.

The EDB has come up with numerous initiatives to accompany producers. It is, for instance, spearheading the development of a nutraceutical industry which can open new economic opportunities for landowners as nutraceuticals attract higher prices and greater margins than conventional foods. In addition, the EDB has been encouraging investment in bio-agriculture and sheltered farming to provide for new growth impetus and product diversification.

EDB has also been actively exploring avenues to enhance exports of agricultural products to international market through participation in Fruit Logistica, a key international event for the Fresh produce sector which represents an important platform to meet buyers and network with potential investors. Moreover, EDB is gearing efforts in improving cross-institutional collaboration to ensure that agricultural projects are properly supported, monitored and implemented.



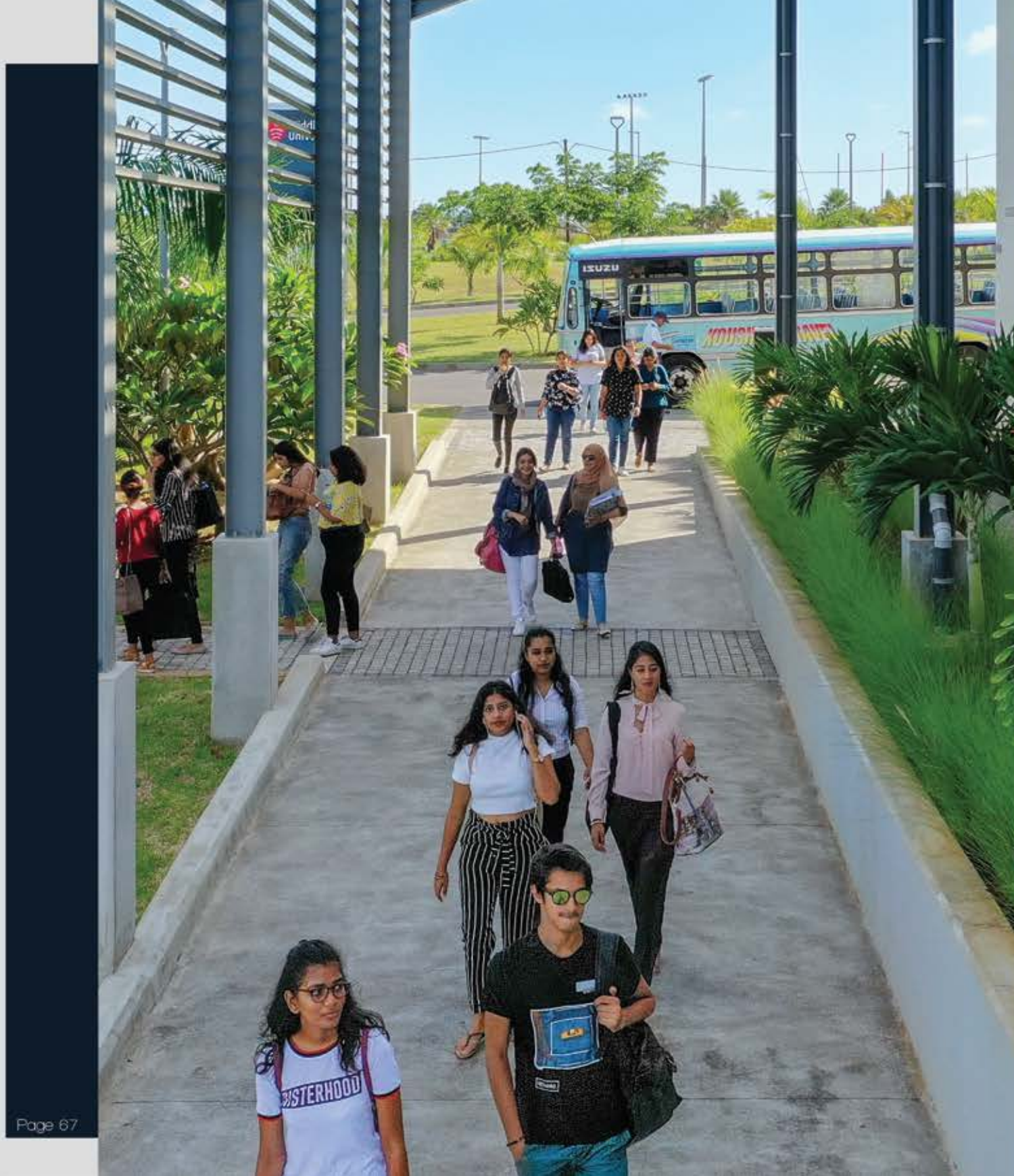
Education

With all the amenities and facilities akin to an education hub, Mauritius has over the years consolidated its reputation as a reliable and trusted provider of quality education. Mauritius is today becoming a leading provider of quality education in the region and the island is on the right track to transform itself into a regional education hub.

In its Economic Vision 2030, the Government of Mauritius has elaborated on its ambition to revamp the higher education sector and to transform it into a strong pillar of the Mauritian economy while establishing Mauritius as a regional hub of excellence for higher education.

The Government of Mauritius has given a clear signal to the importance of higher education and its role in developing an innovative knowledge-based economy through the setting up of international educational institutions of high repute, by developing Mauritius as an education hub, by attracting international students, faculty and researchers. Mauritius has therefore the potential to make cross-border education a new contributor to the economy and generate significant revenues and jobs.

The Education Landscape: Key facts	
GDP contribution: 4.8% (2019)	Primary schools: 319 (2019)
Gross Tertiary Enrolment Ratio: 46.4% (2018)	Secondary schools: 180 (2019)
Total employment: 29,965 (2018)	Training institutions: 521 (2019)
Pre - primary schools: 851 (2019)	Publicly funded tertiary educational institutions: 10 (2019)
Private tertiary educational institutions: 46 (2020)	



Sectoral Development

The Education Sector is increasingly transforming into a vibrant and dynamic economy. Investment is being channeled into the creation of new university campuses and state-of-the-art infrastructure with a sharp focus on quality education.

The African Leadership University (ALU) started its private tertiary educational institution in Beau-Plan Business Park in collaboration with Glasgow Caledonian University to offer undergraduate programmes to students. Since 2015, the institution has been rapidly expanding from 173 to 400 students representing more than 30 African countries. The African Leadership University constructed a full-fledge campus with accommodation facilities in collaboration with NovaTerra and was inaugurated in September 2018 in Beau-Plan Smart City.

The Institut Disciples Escoffier is an institute of international repute specialising in the training of luxury services through dedicated programmes such as Hotellerie Restauration in Gestion Hoteliere, Arts Culinaires & Arts de la Table amongst others. The setting up of the institution gives Mauritius a competitive edge in the area of hospitality training in the region. The Institut Disciples Escoffier has recently made a huge investment in the construction of a state-of the-art campus in Moka.

Greencoast International School is an English-medium school located in the newly developing smart city of Beau Plan. The school started operations in January 2019 in a purpose-built school with more than 60 students and the target is to double the intake for year 2020. Greencoast International School follows the International Early Years curriculum and the International Primary curriculum.

Efforts have also been geared towards reinforcing academic collaborations between reputed international institutions and local tertiary educational institutions to further provide high-quality teaching and education:

- The Université des Mascareignes in collaboration with Université de Limoges, France is offering a Masters in Artificial Intelligence and Robotics. The aim is to encourage young people to develop high end technical skills and to be more competent and versatile in today's highly technological world.
- Academic collaboration between JSS Academy Mauritius and IOWA Wesleyan University from USA to offer undergraduate courses in Biology, Psychology and Criminal Justice and new fields such as biotechnology, cosmetic science, environmental science, pharmacy amongst others.
- The University of Mauritius is collaborating with the University of Arizona, USA to offer a dual bachelor's degree in applied science in Cyber Operations with emphasis in Defense and Forensics.

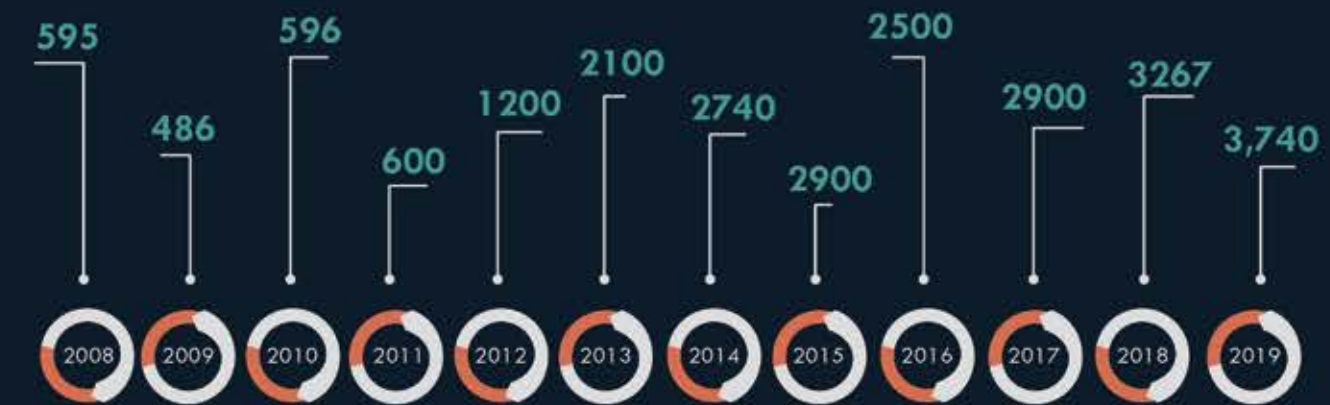
Furthermore, new measures and policies have been introduced to enable international students to work on a full-time basis in Mauritius with the introduction of a "Young Professional Occupation Permit" in scarcity areas such as ICT, Fintech, AI and Biotechnology.



Export of Services

In view of developing Mauritius as a regional education hub, the Government aims to triple the number of international students by 2030. The number of international students who are now choosing Mauritius to pursue higher studies is on the upward trend.

As at December 2019, there were 3,740 international students from more than 70 different countries mainly from India, Nigeria, South Africa, Madagascar, France, Uganda, Kenya, Tanzania and amongst others.

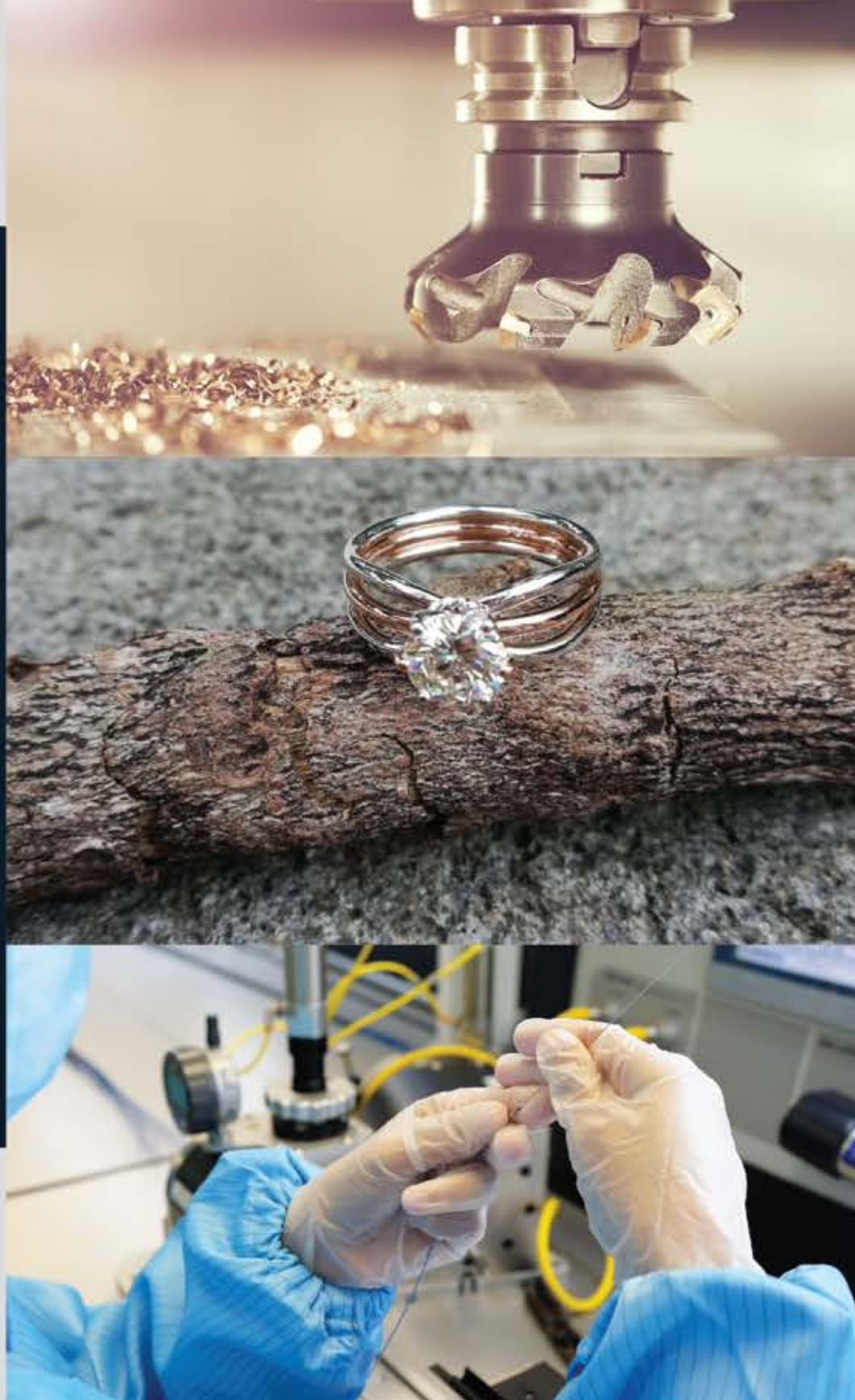


Way Forward

In line with the Economic Vision 2030 of the Government to revamp the higher education sector, the EDB will focus on developing new segments and attracting specialised institutions in niche areas (artificial intelligence, blockchain, robotics, fintech, renewable energy, ocean economy, creative arts, high tech engineering, biotechnology, life sciences), polytechnics institutes, centres of excellence amongst others. The EDB also intends to pursue its endeavors towards bridging the gap between academia and industry to ensure that Mauritius has the right pool of qualified and competent workforce.

In addition, the EDB will further work towards the promotion of Mauritius as an Education Hub for the export of educational services through the implementation of an internationalisation strategy to attract more international students.

Manufacturing New Industries



In line with Government's Vision 2030 and its ambition to join the league of high-income countries, much emphasis is being laid upon revamping the manufacturing sector through the diversification of its industrial base and the adoption of a strategy focusing upon high value-added manufacturing. The Manufacturing New Industries (MNI) cluster, a new cluster in the wake of the new organization structure of the EDB, has been entrusted with responsibility to drive this strategy in the most efficient and sustainable manner.

Much focus has been put on the development of high value-added and high-tech manufacturing activities which represent high growth opportunities with great export potential. The key subsectors directly linked to the MNI include pharmaceutical, medical devices, high precision engineering, jewellery, light engineering (metal and non-metal fabrication), printing & packaging, electronics, paints and chemicals and food processing amongst others. It is estimated that MNI sub sectors represent around 40% of the manufacturing share of total GDP.

With a view to achieve the goals set through the adoption of such a strategy, a series of trade and investment promotion mission were carried out in targeted countries where Mauritian products have a competitive advantage and where Mauritius positions itself as a competitive value-addition platform for exports. The targeted regions where trade and investment mission took place during the year are Europe and South Africa. Other regions such as Eastern Africa, the Middle East and Asia, which have also been targeted for their trade and investment opportunities, are yet to be explored.

In 2018, foreign promoters invested approximately MUR 930 million in various industrial projects, pioneering high value-added or high-tech manufacturing activities which will further diversify and consolidate the existing industrial base. For example, GUD (Mauritius) Ltd, a subsidiary of GUD Holdings South Africa, an automotive Original Equipment Manufacturer (OEM), has invested nearly MUR 70 million in a state-of-the-art automotive air filters manufacturing unit based in the Mauritius Freeport Development (MFD) premises, in Mer Rouge. The plant, which has a production capacity of 2 million units annually, currently employs 40 workers who will benefit from on-the-job training programmes which will be developed in collaboration with the MITD. GUD (Mauritius) Ltd, which is an export-oriented company, effected its first exports in August 2019.

The EDB also facilitated the setting up of Aksh Technologies (Mauritius) Limited which is engaged in the manufacture of various application-based optical fibre cables. The company, originating from India, kick-started operations in September 2018 with 30 employees and has already invested some Rs 30 million as at date.

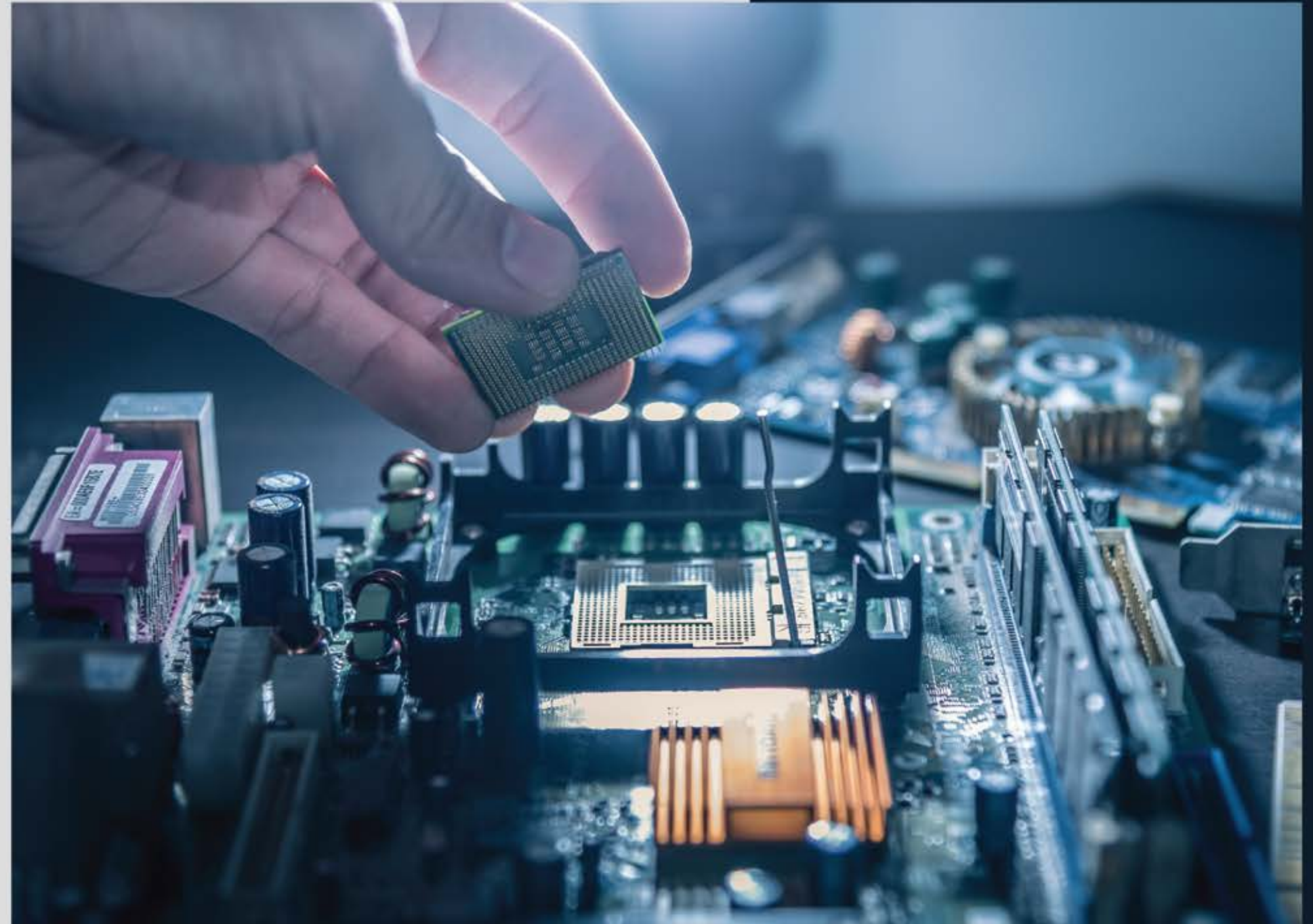
Additionally, Cilselle Trading Co. Ltd, a South African based company, is presently establishing its polystyrene cornice manufacturing plant in Mauritius. Investment to the tune of around Rs 10 million has already been effected and the company is recruiting workers for its operations.

It is also worth highlighting that the MNI cluster, supported the implementation of Condor Technology (Mauritius) Ltd, which is specialised in the manufacture of relays and other components used on oil rigs. All the products manufactured by the company are exclusively meant for export. The Dutch promoters have established their manufacturing base in Solitude.

With regard to the cluster's export promotion strategy, the EDB has embarked on a capacity building programme focusing on costume jewellery, for local jewellery manufacturers. This initiative is aimed at reinforcing the capabilities of Mauritian jewellery manufacturers to keep up with international trends and improve their export readiness.

The programme comprised 25 enterprise audits by a foreign expert in jewellery, a Trend Jewellery workshop held in July 2018 attended by 110 participants and technical assistance for the design and development of a unique and authentic jewellery collection crafted by 16 enterprises. The participants had the opportunity to learn new manufacturing techniques, develop more synergy among themselves, have a better understanding of trends translated in the development of jewellery production and are abreast with latest developments. Following the successful outcome of the first edition, another capacity building programme was also held in October 2019.

Forthcoming investment projects in the pipeline are in the metal fabrication, pharmaceutical, medical devices, packaging, electronic and high precision components.



Creative Sector

The creative sector is increasingly understood to be a valuable segment contributing to the local, regional and global economies by generating income, jobs and exports. The global creative economy is estimated to generate USD 2.25 trillion in revenue - or 3 percent of the world GDP and over USD 250 billion in global exports. According to recent forecasts, these sectors will represent around 10% of global GDP in the years to come.

In Mauritius the creative economy is evaluated at 3.5 % of GDP, representing approximately 14 billion rupees. If well-nurtured, the creative economy can be a source of structural economic transformation, socio-economic progress, job creation and innovation while contributing to social inclusion and sustainable human development.



EDB Strategy for the creative industry

At the EDB we are conscious about the potential of this sector and the vision is to double the GDP contribution of the creative Industries over the next 10 years. A new cluster has recently been set up to facilitate the development and promotion of the creative industries. The main objective is to develop a sustainable business and economic model that ensures the long-term development of arts business. To influence the overall attractiveness of the creative art sector, EDB has engaged in the following actions:

- Develop cultural entrepreneurship with local artist to unlock the potential of deriving revenue from cultural activity and art works
- Promotion of art as a new asset class
- Development of a Public Art Policy that will guide the promotion, development and commissioning of public art projects in Mauritius
- Provide local artists the possibility to participate in the artistic redesign and cultural embellishment of Port Louis and Mahebourg regeneration project through public art.

EDB has collaborated with Zee Arts Ltd in the organisation of the Mauritius International Art Fair (MIAF) 2019 held in August at the Caudan Arts Centre. The main aim of this event was to propel Mauritius as an art hub on the global map, thus developing a new segment of Art and Cultural tourism as well as educating the Mauritius society about the value of buying original Artwork as an investment.

To give a boost to local artists, EDB has also launched the EDB art gallery where emerging artists are given the opportunity to exhibit their artwork. Investors visiting the office will be encouraged to buy artworks.



Film Industry

The Film Rebate Scheme

The Film Rebate Scheme which was implemented in 2013 has proved to be an asset having the potential to enhance the image of Mauritius as a shooting destination par excellence with the ability to also make significant contributions to the Mauritian economy. The Film Rebate Scheme remains one of the most attractive cash incentives provided to film productions around the globe. Film producers may benefit from a cash rebate of 30% and up to 40% on all Qualifying Production Expenditures (QPE) incurred and spent in Mauritius.

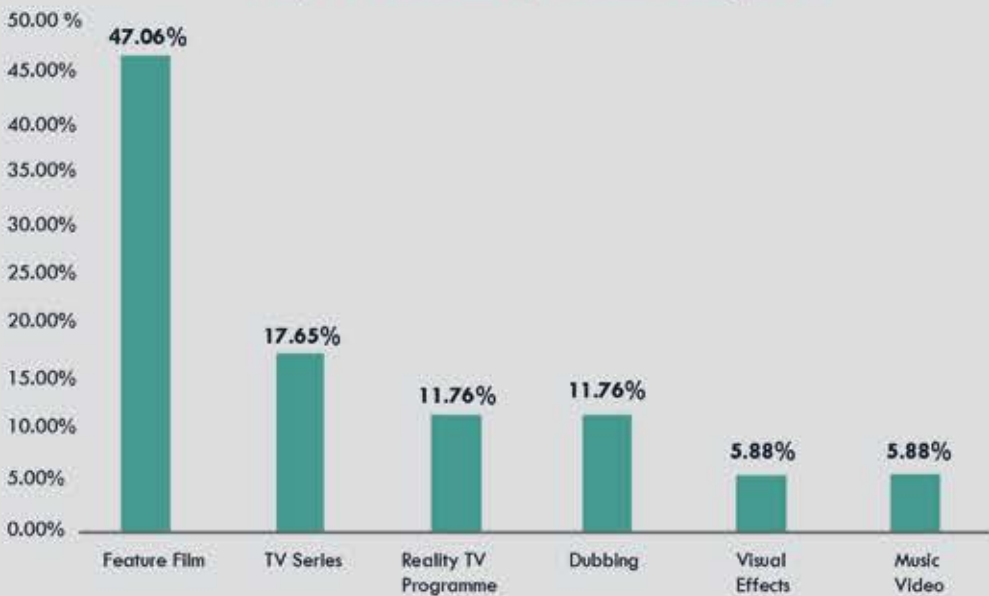
Performance of the Film Rebate Scheme

The year 2018/2019 has been a fruitful year for the film industry which has witnessed some major film productions and developments towards a more competitive industry. The Film Rebate Scheme has attracted some MUR 645 Million spending in Mauritius by film producers operating under the Film Rebate Scheme.

A total number of 17 productions have been completed under the Film Rebate Scheme as at end of June 2019, including feature films, TV series, reality TV programmes, music videos, dubbing and visual effects projects.

With regards to the geographical breakdown of the production expenditure spent by film productions in Mauritius, India is the leading country film producer which uses Mauritius as a film shooting destination, followed by Germany, South Africa and France.

Graph 1: Breakdown by Production Categories



Graph 2: Breakdown by Country of Production



Contribution to the Economy

The Film Rebate Scheme does not only benefit film producers but has also a direct economic contribution to several industry sectors of Mauritius. The Mauritian economy benefitted from a net inflow of approximately MUR 300 Million spent by film productions to local service providers in Mauritius, in terms of hotel accommodation, catering services, air travel, ground transport, rental of equipment and other services: approximately 7.5% was spent in Hotel and Accommodation; 5.6% in Air travel; 9.3% in Film Production Equipment and 4.6% in local transport and ground logistics, 3.6% in catering services, amongst others.

As far as government revenue is concerned, this sector has generated some MUR 35 Million in terms of direct tax (VAT and Income Tax) collected from the above-mentioned 17 film productions.

Capacity Building

Talents development for the film industry is amongst the key focus this year and the Economic Development Board has launched a foundation course in scriptwriting in March where 33 people from the local film industry has been successfully trained to write a screenplay.

It is worth mentioning that the said 17 film productions completed under the Film Rebate Scheme spent around MUR 38 Million to remuneration of local crew people.





Real Estate and Hospitality

Vision

The real estate sector is one of the backbones of the Mauritian economy contributing 5.9% to GDP. It is, undoubtedly, a strategic enabler to:



Ensuring Mauritius is positioned to tap into the best talent pools at global level with its mix of accommodation facilities



Reducing operating expenses by rationalising on the work, live and play concept and increasing flexibility of operations by ensuring innovative occupancy solutions tailored to each business need with the creation of smart cities



Providing the right workplace, office spaces, retail outlets and lifestyle to ensure talent engagement and productivity



Unlocking hidden value from underutilised assets, marginal lands, infilled developments under the Urban Regeneration Programme and through transit-oriented developments



Speeding up decision making process by foreign investors with serviced areas, smart cities and business parks.



Quick facts

- Market fundamentals in 2018 remained robust. The gross fixed capital formation and FDI stood at Rs 32.3 billion and Rs 9.066 billion compared to Rs 29.78 billion and Rs 8.8 billion respectively in 2017.
- In the current environment, the high-end residential market under PDS have the broadest appeal in part because the fundamentals remain sound - relatively high yields and good prospects to find a market.

Indicators	IRS	RES	IHS	PDS
Introduced in	2002	2007	2009	2015
No. of projects submitted	30	154	15	125
No. of projects approved (Issued with LOA)	29	120	13	88
No. of valid LOAs	0	0	5	39
No. of Certificates issued	20	81	4	26
No. Certificate revoked	9	10	1	0
No. of valid Certificates	11	71	3	26
No. of projects implemented or under implementation	11	71	3	26
No. of valid Certificates and project not implemented	0	0	0	0
Total no. of residential units for projects issued with a Certificate	1,412	1,821	135	1,040
No. of residential units sold or occupied	1,222	1,707	135	358
Remaining no. of residential units for sale	190	114	0	682
No. of reservation contracts signed	41	45	0	64
FDI generated (MUR)	48.8 billion	22.4 billion	1.35 billion	7.18 billion

New policy frameworks

New law on copropriété

There were no specific provisions under the Code Civil Mauricien related to the management of common areas of morcellements and large developments except for only two articles, articles 664-95 and 664-96. These two articles provided that when, following a morcellement, land and infrastructure were to be managed collectively, the owners of the lots resulting from the morcellement were automatically grouped into an Association Syndicale, which is an entity with legal personality. The Association Syndicale was governed by the provision relating to the syndicat des copropriétaires with respect to its administration and operation.

The EDB recruited French consultants to propose a new legal framework. The Code Civil Mauricien was thus amended in October 2018 to address this issue with new and specific provisions exclusively for the management of common areas for morcellements, les grands ensembles immobiliers and other large-scale projects. The management of common areas in smart cities, morcellements and les grands ensembles immobiliers, following the coming into force of the new legislations in April 2019, will be carried out by an Association Foncière. Provision is made in the Code Civil Mauricien for the Association Foncière to be endowed with a civil personality, whose object is the management of the properties which include several lots or built up properties or properties to be developed off-plan, group of individual properties or copropriétés, and comprising land and common areas (road, networks, parkings).

PDS for senior living

The new law on senior living, which came into effect in May 2019, provides opportunities to investors to develop purpose-built luxury retirement-based communities. The law allows expatriates above 50 years to stay in and buy or rent purpose-built retirement residences and to live independently in a peer environment. Such projects have to provide facilities for recreation and socialising, including a clubhouse, health club or gym, facility management services, focused on the needs of the elderly.

The PDS for senior living provides an attractive package of incentives to developers and those acquiring a senior residence.





Urban Regeneration Programme

In June 2018, Government announced the introduction of a National Regeneration Programme, an initiative to regenerate and revitalize the central areas of our city, towns and larger villages.

Implementation of this measure has been carried out under the ambit of existing legislations and through the Investment Promotion (Smart City Scheme) Regulations. The Regulations came into force in December 2018.

The NRP provides for restoration, consolidation and improvement of the built fabric of towns and large villages with respect to public and private buildings and infrastructures in a specific area approved under an area regeneration plan (ARP). This initiative by Government is expected to attract new investments and further grow the construction and related service(s) sector.

The NRP is expected to enhance the environment and amenities in the interests of residents, businesses, visitors and promote more sustainable development patterns and tourism. Projects under the NRP are encouraged to adopt technology to develop smart infrastructures and services, to make the existing towns and large villages to graduate into smart cities.



Smart City projects

Number of Smart City Certificate issued: 9

- Cap Tamarin Ltd- Cap Tamarin
- Mon Tresor Smart City Ltd - Mon Tresor Smart City
- Mauritius Jinfei Economic Trade and Cooperation Zone Co. Ltd - Jinfei Smart City
- Unicity Ltd - Unicity
- Moka City Ltd
- Royal Saint Louis Development Ltd
- Beau Plan Development Ltd
- Mont Choisy Smart City Ltd
- Hermes Properties Ltd

Number of Letter of Intent issued: 3

- Yihai Investment Ltd
- The St Felix Sugar Estates Company Limited
- New Montebello Development Ltd

Number of Letter of Comfort: 2

- Ferney Science & Nature Hub
- SIT Land Holdings Ltd and Curzon Investments (Le Bouchon) Ltd



ICT

Background

The philosophy of Government is geared towards implementing a Smart Mauritius strategy, based on the ultra-high bandwidth concept over the next five years. Innovation thus constitutes a key cornerstone of the Smart Economy. Emerging technologies such as Artificial Intelligence, Blockchain, Robotics, Internet of Things, FinTech and Big Data are also expected to assist in the digital transformation process.

In line with the Mauritius Vision 2030 to transform the island into a digital economy, the Digital Mauritius 2030 which underlines the different strategic waves to create an enabling environment for the digital growth of the country namely: Digital Government , ICT infrastructure , Innovation, Talent Management and Cybersecurity.

The Digital Government Transformation Strategy 2018-2022 outlines the governmental imperatives for making government services 'digital by default' and aims at improving the efficiency improving the efficiency, effectiveness and governance of public services through a successful digitalised transformation.

Key Facts for 2018

GDP Contribution	5.70%
Industry Growth Rate	5.30%
Number of Companies	800
No of Professionals	24,000
Internet Penetration	105.90%
Mobile Penetration	151.50%



The ICT/BPO has developed into one of the most significant industries in Mauritius and has played a phenomenal role in driving employment creation and growth over the past 15 years. From Financial services and Fintech, Education and Health services, Smart cities and Real estate development, the ICT sector is more than ever participating in the growth momentum of these sectors and its relevance and contribution is becoming more prominent and pronounced.

The vision of the Government to transform the island into a digital economy has created many job opportunities in Mauritius especially among youngsters who have joined the sector. The activities of this sector which was restricted to only BPO have now diversified to software development, provision of cyber security solutions, digital platforms, development of digital content, mobile apps, blockchain based applications and AI amongst others. The ICT sector presently employs more than 24,000 persons.

In fact, 2018-2019 has been an interesting year with a number of new industry-shaping and foundation-building trends. The sector maintained its growth rate and was a net hirer during the year. This growth has been fuelled by increasing diversification in the geographic base, industry verticals, and adaptation of new service offerings. The year 2018- 2019 has also seen the emergence of technology start-ups, offering disruptive services like development of blockchain and fintech applications, cybersecurity solutions among others.

New growth areas such as online payment, mobile applications development, and architectural design have also emerged. Moreover, the advent of new technologies such as cloud computing, mobility and social media is playing a key role in driving growth in IT services.

Events organised: Local

World AI Show (November 2018)

To support the burgeoning Blockchain and Artificial Intelligence industry of Mauritius, the Economic Development Board (EDB) in collaboration with the Ministry of Technology, Communication and Innovation and Trescon organised the World AI Show and Blockchain Summit in November 2018. The aim was to identify opportunities for the deployment of AI in the various key sectors of the country's economy. The AI Show also featured the humanoid robot, Sophia, developed by Hong Kong-based Company Hanson Robotics, and, named the United Nations Development Programme's first ever non-human Innovation Champion. The show brought together industry experts, technology providers, investors, innovators, government authorities, regional policymakers and emerging startups from all around the world.

CEO - Start-up Meet (July 2019)

Promotional events

1. Export of Services Mission to Cote D'Ivoire and Senegal - May 2019
2. Participation in Viva technology - May 2019

Key projects 2018

The launch of the Mauritius and Rodrigues Submarine cable system (MARS) cable system with a bandwidth design capacity of 6Tbps, provided the necessary diversity of connections in Rodrigues.

Mauritius became the 8th most fibred country in the world in terms of connectivity and the first in Africa through its 100% fibre coverage. Moreover, CEB will expand and leverage its existing fiber optic network coverage to provide advanced telecom services and connectivity to the country as a whole and to realize the country's vision of a Digital 2030.

Mauritius is currently connected to 2 undersea cables namely: South Africa Far East (SAFE) and Lower Indian Ocean Network (LION)/LION2 cables for the provision of international Internet capacity. In view to position Mauritius on the digital superhighway, a private sector consortium is connecting Mauritius to a 3rd International Fiber Optic Cable, the Indian Ocean Xchange Cable (IOX), which will connect Mauritius to South Africa and Puducherry in India. In addition, redundancy and high speed connectivity is further enhanced with the forthcoming deployment of the Melting Pot Indianoceanic Submarine System (METISS) cable connecting Mauritius, Reunion Island, Madagascar and South Africa by 2020.





NEW GROWTH POLES



Artificial Intelligence (AI) and the setting up of the AI council

One key initiative of the Economic Development Board (EDB) is to consolidate Mauritius position as a high-tech digital hub fostering innovation and Research and Development with the aim to bring about impactful outcomes for the economy and meaningful benefits for society.

Following the 2017/2018 budget speech which makes provision for the setting up of the “Mauritius Artificial Intelligence Council”, the EDB sets its efforts to support this Government initiative to drive the development of AI in the country.

Together with the Ministry of Technology, Communication and Innovation and Trescon, the EDB provided its support to organize an AI conference with the aim to drive economic growth and raise productivity and living standards in the country.

Succeeding this is the setting up of the working Group on AI, reporting to a steering committee, to oversee and coordinate implementation of this specific budget measures. The EDB played a key role as secretariat to the Working Group and produced a report the “Mauritius AI Strategy plan” overseen by the Ministry of Technology, Communication and Innovation. The report outlined the potential applications and impact of AI, unique selling point of Mauritius in terms of AI, appropriate ecosystem to nurture AI in Mauritius, skills and technical expertise to sustain the ecosystem and the regulatory framework to enable the development of AI.

For tech organizations seeking to expand its presence on the global stage, the Government possesses the right vision to strengthen the foundation of AI businesses in the country. The country conducive business environment, enabling information, communication and technology infrastructures and various government initiatives and incentives offers a well-crafted ecosystem for innovative firms to use Mauritius as a platform to start their operations. Through its continuous effort to leverage technology and promote digital transformation, Mauritius continues to raise the bar for digital advances to be at the forefront of global innovation and competitiveness.



FINTECH

Fintech and setting up of the Mauritius Fintech Association

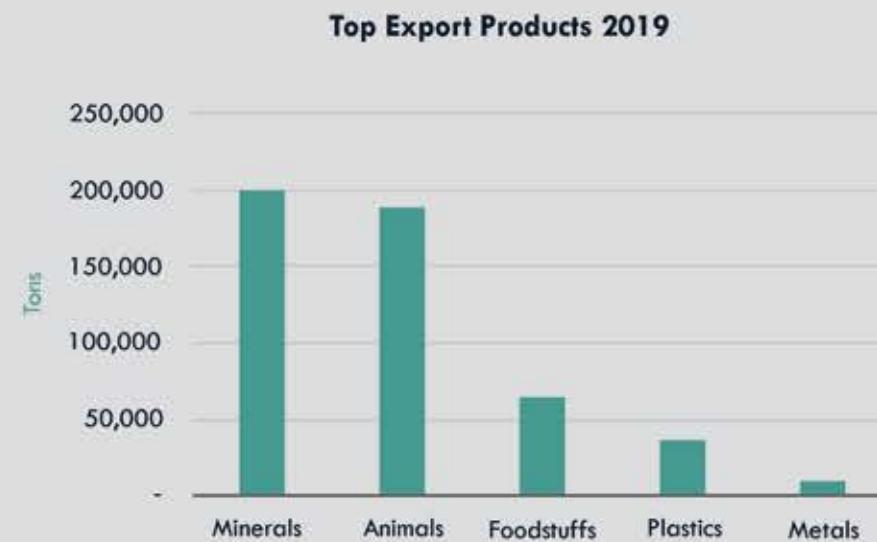
Given the numerous opportunities which FinTech provide, Mauritius is keen to harness the benefits of the FinTech revolution and become the African fintech hub. In this context, last year a series of measures were announced in the budget to accelerate the country's move to an age of digitalisation and innovation in the form of Artificial Intelligence and FinTech to promote private investment and create new jobs for the youth. Mauritius has all the attributes to be the FinTech hub namely high bandwidth connectivity with Europe, Asia and Africa, a strong technology infrastructure and a robust legal system that combines civil and common law practices. Mauritius is, therefore, an ideal platform and has the potential to drive the rise of FinTech in the region. Moreover, FinTech is deemed to contribute further in opening the Mauritian economy as well as unearth exciting opportunities for budding young entrepreneurs and fresh graduates.

In line with the vision to create a thriving Fintech ecosystem, the Mauritius Africa Fintech Hub (MAFH), a not-for-profit organization, was created in December 2018. The Mauritius Africa Fintech Hub brings together Mauritius and Pan-African entrepreneurs, start-ups, corporates, investors, academia and all other stakeholders to collaborate in a FinTech space that will empower African FinTech into the future.

Freeport & Logistics

The continued development of Mauritius Freeport infrastructure and projects spurred the economic activities of this sector with trade volume rising from 347,000 tons in 2013 to 517,000 tons in 2019 and trade value from MUR 23 billion and to MUR 29 billion in the respective period.

Figure 1 below shows the top products exported through the Mauritius Freeport for the period 2019:



In 2019, the top products exported in terms of volume through the Mauritius Freeport were mainly mineral products, live animals and animal products, foodstuffs, plastics & articles, based metals & articles, chemicals, among others.

Currently, there are 8 Third Party Freeport Developers, 3 Private Freeport Developers and 220 Freeport operators operating business activities which represents over 3,800 direct jobs within the Mauritius Freeport.

DECATHLON, the sporting goods retailer has chosen the Mauritius Freeport Development Ltd as logistics provider for their distribution in the region. New Third Party Freeport Developer's zones have been proclaimed over 10 Ha at Riche Terre which include the Mauritius Freeport Development Ltd and Mauri China Freezone Development Ltd.





```
self.mirror_mod.use_x = True
self.mirror_mod.use_y = False
self.mirror_mod.use_z = False
elif operation == "MIRROR_Y":
    self.mirror_mod.use_x = False
    self.mirror_mod.use_y = True
    self.mirror_mod.use_z = False
elif operation == "MIRROR_Z":
    self.mirror_mod.use_x = False
    self.mirror_mod.use_y = False
    self.mirror_mod.use_z = True

# selection at the end - add back the deselected mirror modifier object
mirror_ob.select= 1
modifier_ob.select=1
bpy.context.scene.objects.active = modifier_ob
print("Selected" + str(modifier_ob))
# modifier_ob.select = 0
# bpy.context.select_set([mirror_ob])
# bpy.context.scene.objects.active = mirror_ob
# bpy.context.scene.objects.active = mirror_ob

# please select exactly two objects, then
# click on the 'Mirror' button in the
# 'Properties' panel.

class MirrorX(bpy.types.Operator):
    """This adds an X-mirror to the selected object"""
    bl_idname = "object.mirror_mirror_x"
    bl_label = "Mirror X"

    def execute(self, context):
        # select two objects
        objects = bpy.context.selected_objects
        if len(objects) != 2:
            bpy.ops.object.select_all(action='DESELECT')
            bpy.context.scene.objects.active = None
            return {'FINISHED'}

        obj1 = objects[0]
        obj2 = objects[1]

        # create a new mirror modifier
        mirror_mod = obj1.modifiers.new(name='Mirror X', type='MIRROR')
        mirror_mod.object = obj2
        mirror_mod.use_x = True
        mirror_mod.use_y = False
        mirror_mod.use_z = False

        # apply the modifier
        obj1.modifiers[mirror_mod.name].apply()
```

Investment Promotion Mission to Reunion Island 2019

The EDB led an investment promotion mission in May 2019 at Reunion Island along with Freeport Developers and AML. This promotional mission has provided the EDB with a good platform to create visibility on the Mauritius Freeport and identifying potential companies having an African strategy for their distribution to use the Mauritius Freeport as a regional logistics, trade, value addition and distribution platform.

There are 8 potential companies who have expressed interests to use the Freeport platform for trading and value addition of different products, namely vanilla, fruits, spices, food products, Agro products, logistics & transports and general merchandise. The EDB has organised 6 inward visits and assist the potential promoters in collaboration with Freeport Developers and AML for the site visits in the Freeport zones and at the airport.

Quick facts on the Freeport:

Key Indicators	Dec 2017	Dec 2018	Dec 2019
Number of Active operators	234	222	215
Number of new licensees	31	23	20
Annual Trade Volume in tons	542, 837	542, 687	517, 000
Annual Trade Value (MUR- Billion)	38	44	30
Net Employment	3200	3500	3600
Contribution to GDP (Freeport) %	0.6	0.6	0.6

Key realised investment

In 2018/2019, the realized investment of key projects amounted to about MUR 300 Million in the Freeport:

Company Name	Activity
Les Moulins de la Cité	Third Party Freeport Developer
Unity Logistics Ltd	Third Party Freeport Developer

Implementation of Budget Measure

In the National Budget 2018-2019, the Freeport regime has aligned with requirements of the WTO, EU and OECD to keep the Mauritius Freeport as a credible and trusted platform. Some of the main amendments that have been proclaimed to the Freeport Act are as follows:

- 01 • New freeport operator and private freeport developer is subject to 3% corporate tax on export of goods
- 02 • The Manufacturing activity has been removed in the Freeport.
- 03 • Freight forwarding activities, global trading and providing freeport-related services outside Mauritius using a company in Mauritius are no more allowed under the Freeport regime.

Despite the above changes and a considerable decrease in the list of activities allowed in the freeport, several projects remain in the pipeline for Freeport infrastructural developments amounting to the tune of MUR 1.8 billion at the Port, Airport, JinFei and Riche Terre Business and Industrial Park in Mauritius.





Financial Services

Overview of the financial services sector

Mauritius has forged a strong reputation as a premier International Financial Centre (IFC), with a growth rate exceeding 5% over the past four years. In 2019, the Gross Domestic Product contribution of the financial services sector to the economy amounted to 11.7%. The jurisdiction continued to maintain its position as the preferred cross-border investment platform with total value of inward stock investment amounting to more than USD 334 billion and total value of outward stock investment amounting to USD 398.9 billion as at June 2019.

As at end of March 2019, employment in the sector was estimated to reach 13,842. Furthermore, Mauritius reinforced its position as a proven and trusted jurisdiction of choice for fund structuring and administration, being home to a number of newly funds that have been created along with the licensing of a number of global business companies. Additionally, new listings were made on the Stock Exchange of Mauritius such as PSG Konsult Limited in November 2018 and the Eastern and Southern African Trade and Development Bank in June 2019 thereby strengthening the position of SEM as an attractive platform in Africa.

Facts and Figures

GDP Contribution	11.7% (2018)
Growth Rate	5.2% (2019)
Employment (Financial Services Sector)	13,842 (as at end of March 2019)
No of Global Business Companies (GBC)	12,493 (as at end June 2020)
No. of Management Companies	188 (as at June 2020)
No. of Global Funds	1052 (as at June 2020)
Number of Domestic and International banks	20 (as at end June 2019)
SEM – Market Capitalisation	More than USD 8 billion (as at June 2020)
Inward investment flows through GBCs	More than USD 334 billion (as at June 2019)
Outward investment flows through GBCs	USD 398.9 billion (as at June 2019)





Roadshows and International Conference

In order to enhance the visibility and showcase the Mauritius IFC as a sound, as a sound and transparent jurisdiction in key markets, the EDB conducted several roadshows in South Africa, Germany, UK, Australia, UAE, Hong Kong, China, Eswatini, Singapore, amongst others and transparent jurisdiction in key markets.

Supporting local conferences

Additionally, the EDB has supported and participated in local conferences such as the Pension Funds & Alternative Investments Africa Conference, STEP Conference, IFA, amongst others.

Adherence to the World Alliance of International Financial Centres

The EDB has acceded to the Membership of the World Alliance of International Financial Centres (WAIFC) in July 2019. The WAIFC is the association of reputed global financial jurisdictions and has as core objective the responsibility to promote cooperation between financial centres, including publications and dissemination of information. It is noteworthy that the EDB will leverage on its Membership to the WAIFC to advocate on the important role that the Mauritius IFC plays and to further strengthen the value that Mauritius adds as an IFC in the global economy.

Fintech

In 2016, the Government instituted a Regulatory Sandbox Licence (RSL) to cater for innovative projects in Mauritius in the absence of a regulatory framework at the level of the EDB. The licensing modalities for these innovative projects under the RSL is determined by the National Regulatory Sandbox Licence (NRSL) Committee. Since the institution of the Committee, a number of projects have been determined and have been granted approval for a diverse portfolio such as Initial Coins Offerings (ICOs), cryptocurrencies exchange platforms, digital wallets, crowdfunding platforms and blockchain enabled alternative securities platforms, amongst others. The list of the some of the projects is mentioned hereunder:

- Fundkiss - Crowdlending Platform
- CrowdInvest - Crowdfunding Platform
- Finclub - Peer to Peer Lending Platform
- Fintech Iceberg Ltd - Crypto Currency Exchange

Mauritius has made significant regulatory reforms and has been driving key initiatives to consolidate its FinTech space. To this end, new licences have been introduced, namely the Custodian of Digital Assets licence new licences and regulatory framework. The Custodian of Digital Assets licence is effective since March 2019.

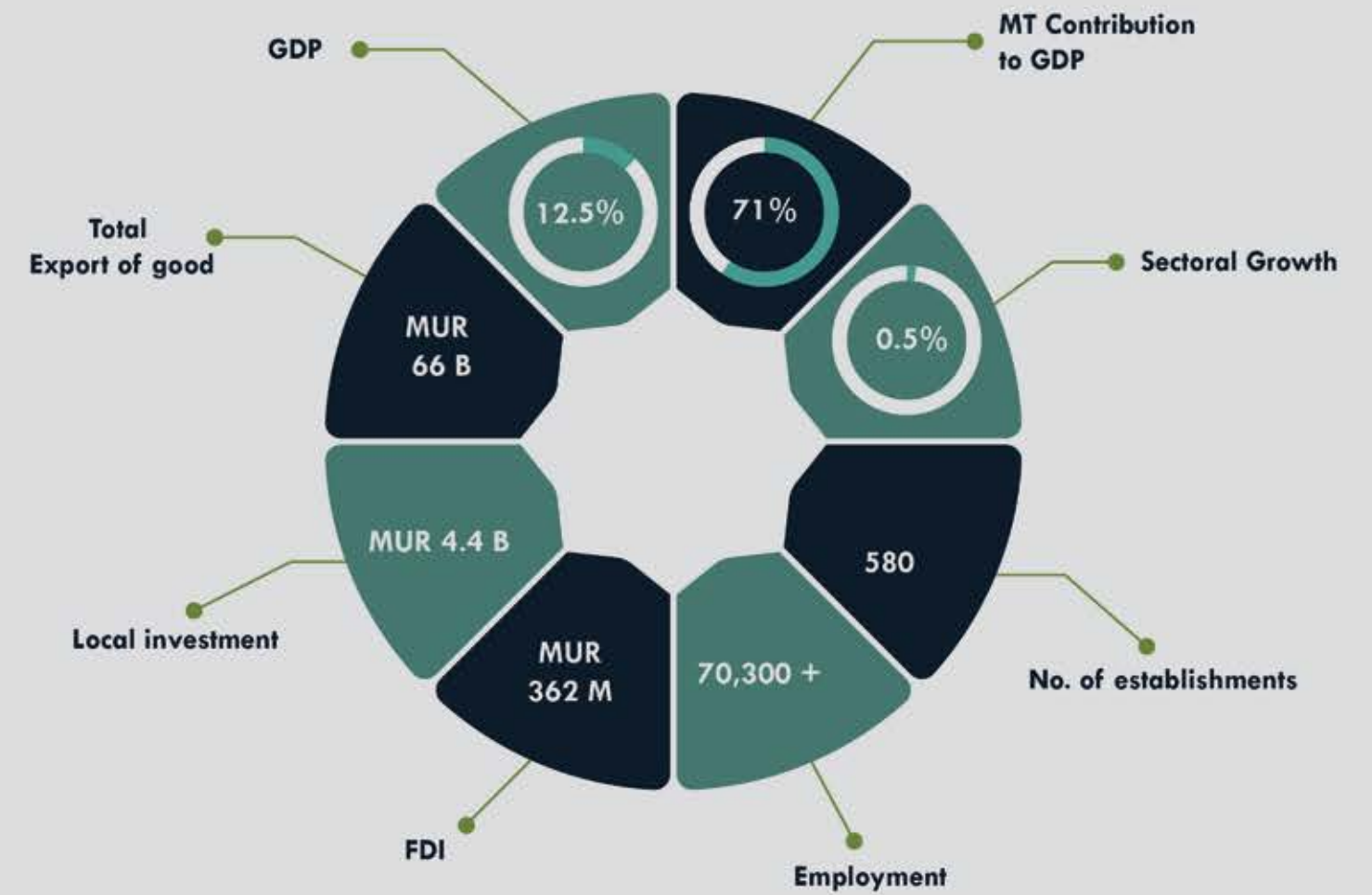
Furthermore, the Mauritius Africa Fintech Hub was also set up and officially launched in April 2019. The Mauritius Africa Fintech Hub is a body representative of fintech companies, a think-tank, and an enabler of fintech-preneurs and startups in Mauritius. The Association has been tasked with creating network and tie-ups with international institutions and bodies.

Taking into account the current pandemic, enhanced visibility at the Mauritius IFC will be done through webinars. More and more interactions with the international investing community will now occur on screen rather than in person. Therefore the EDB will devise the appropriate strategy in order to attract several international brand names in Mauritius notably in the field of banking, regional headquartering, asset and wealth management, amongst others.





Manufacturing Traditional



Figures 2019

Despite various challenges faced by the manufacturing industry such as high cost of production, cutthroat competition from low cost countries, rapid change taste of customers, growing demand for sustainable production, EDB took the challenge to sustain the position of Mauritius as a reliable sourcing destination, consolidate our niche markets and attract investments. In order to address the different challenges, the cluster focused on the following:

- Retain customer base through continuous and consistent contacts with buyers in specialized trade fairs and B to B meetings;
- Market diversification: diversify market in view to secure new client base in existing markets and look for new markets;
- Support development of enterprises in their quest to respond to new market demand via successful implementation of new schemes and development of new products.

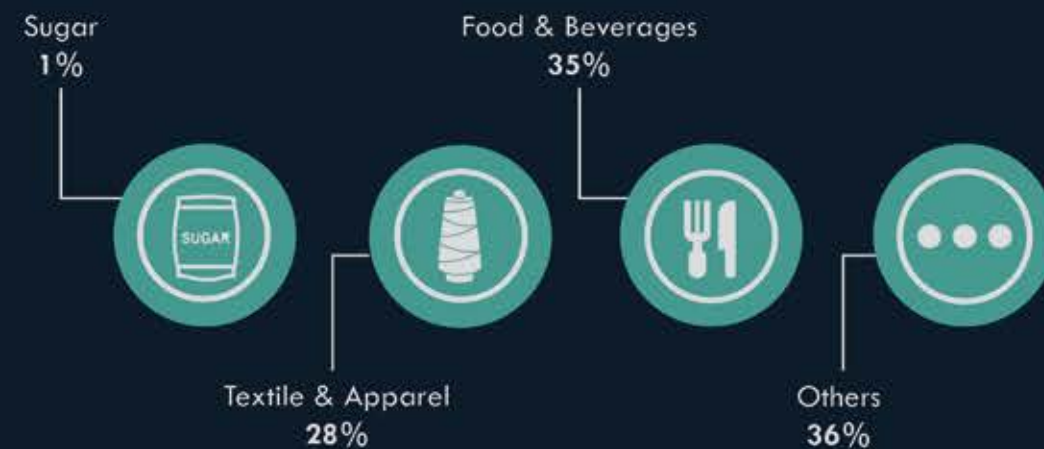
Investment MUR million



GDP Contribution



Breakdown - Manufacturing Sector (2018)



Activities organized by Manufacturing Traditional cluster from January 2018 - June 2019

Promotional events

- Source Africa - *June 2018*
- Pure London, UK - *July 2018*
- AGOA Forum, USA + WEAR Conference, Canada - *September 2018*
- Premiere Vision, Paris - *September 2018*
- SIAL, Paris - *October 2018*
- Hong Kong International Wine and Spirit Fair - *November 2018*
- Texworld, New York - *January 2019*
- Premiere Vision, Paris - *February 2019*
- Gulfood, Dubai - *February 2019*
- Seafood Expo Global, Brussels - *May 2019*
- Source Africa + Mission to Botswana & Namibia - *June 2019*

These events resulted in Confirmed orders of: **MUR 266 million in 2018**

Contact established: **1649**

Confirmed orders of: **MUR 657 million in 2019**

Contact established: **780**



Support to Enterprises

The Manufacturing Traditional Division has encouraged the industry to take advantage of the facilities offered by the Government to boost export by air (Speed to Market Scheme) and by sea (Freight Rebate Scheme) to Africa and Europe. The Participation to International Fair SME Refund Scheme has contributed to assist SMEs in promoting and enhancing their business activities through export promotion. These schemes contributed to increase our exportation to South Africa and position South Africa as our top export destination.

Capacity Building

In view to ensure that products 'Made in Mauritius' respond to the new exigencies of customers and remain competitive on the international market, EDB initiated several capacity building programmes:

EDB has organized of a one-day workshop in August 2018 to present the Spring/Summer 2019 trends. The Trend Forum was led by Carlin International Trend Bureau. 100 participants have been imparted with the necessary technical know-how, knowledge and expertise on new trends (key products, design concepts and colours) in view to develop their collections.

Following the success of the Trend Forum, EDB organized in-house coaching and interventions in 10 selected medium sized companies from September to November 2018. The training was led by Carlin International Trend Bureau and focused mainly on improving pattern making techniques and style to allow selected companies to create relevant collections that match international standards.

A national workshop was also organized by EDB in April 2019 to address major challenges faced by the Textile and Apparel Industry. The two-days' workshop was led by international industry experts who shared their knowledge with more than 100 local manufacturers on key subjects such as the adoption of technology, human Resources requirements to meet the challenge and the emerging demand for Textile and Apparel for the next decade.

Textile & Apparel

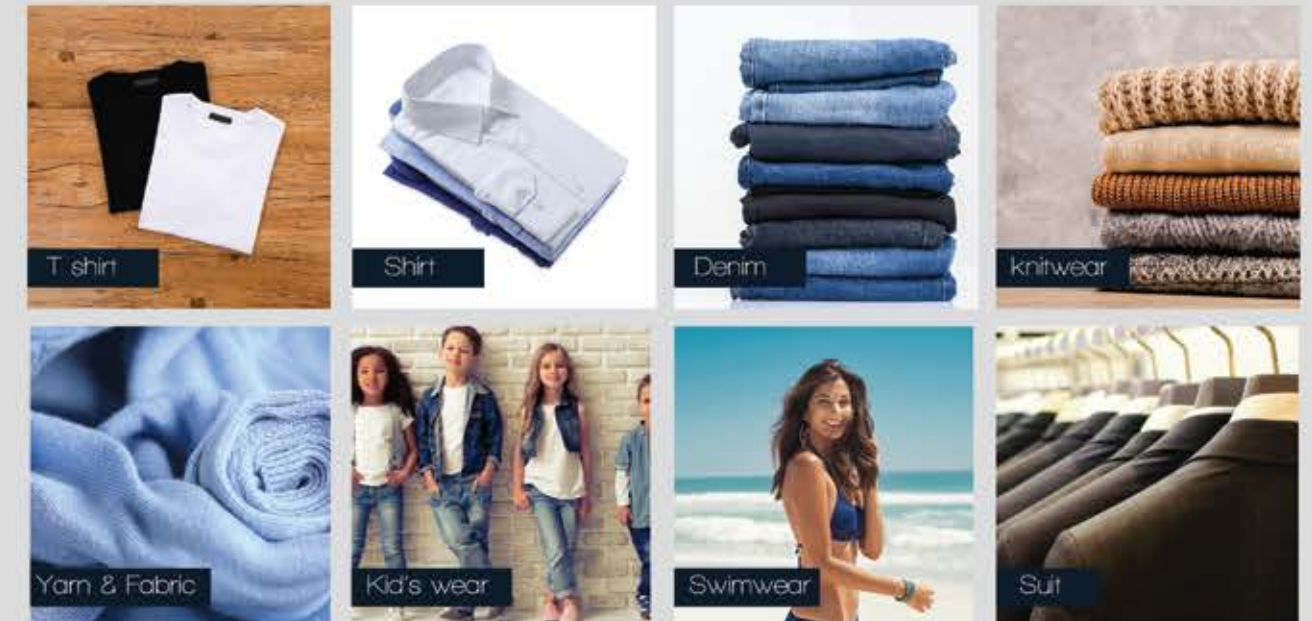


GDP contribution: **3.5%** | Exports: **MUR 24 B** | Local Investment: **MUR 1.5 B**

No. of enterprises

Small: **60** | Medium: **65** | Large: **32** | Employment: **48,645**

Diversified range of products



EXPORTS OF TEXTILE & APPAREL

MUR BILLION

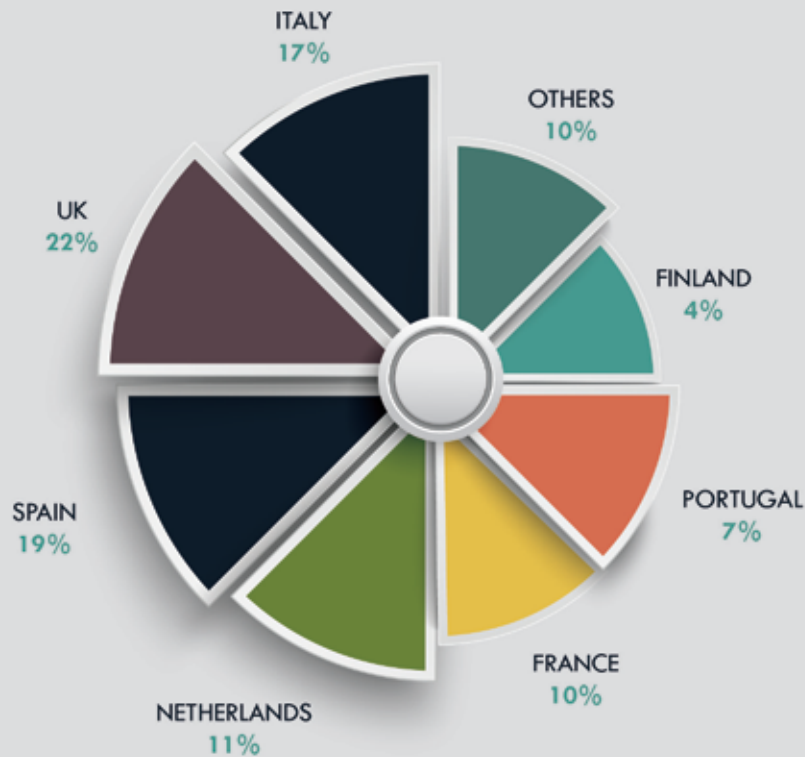


MAJOR EXPORTS

Products (MUR Billion)	2016	2017	2018	2019
Knitted Apparel	11.7	10.4	9.9	9.2
Woven Apparel	11.4	10.2	10.7	10
Yarn and Fabric	3.6	3.7	3.7	4.6
Footwear, Leather and Misc Products	1	0.985	0.938	0.956

Seafood Processing

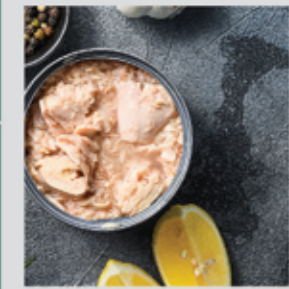
The seafood sector is a growing pillar of our economy and contributed to 1.3% of the GDP with a total export value of MUR 13.3 b in 2018.



Europe remained our main market for canned tuna. However, Mauritius was able to diversify and penetrate new markets such as the USA, South Africa, the United Arab Emirates, Canada, Russia as well as Asian markets for frozen, chilled and fish filets.

EDB participated in 3 specialized seafood events in 2018 - 2019 leading to confirmed orders of MUR 678 M for participating companies. The seafood sector offers huge potential for expansion as global demand for seafood as a healthy premium protein increases. Mauritius must take advantage of this growing demand and position itself as a reliable sourcing destination for value-added seafood products in both traditional and new markets.

Seafood - Range of products



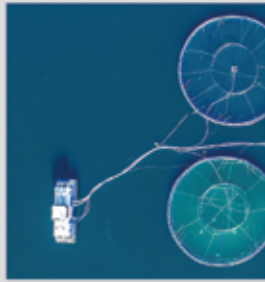
Preserved Tuna

In cans, poches and jars
 Sunflower oil, brine, spring water olive oil
 Tuna Steak (solid pack)
 Tuna chunks, Tuna flakes,
 Tuna bellies
 Pre-cooked Frozen tuna loins
 Tuna species: Skipjack
 Yellowfin, Albacore , Big Eye



Frozen Fish

Tuna Loins, Steaks, Saku
 blocks for sushi and sashimi
 Skipjack, Yellowfin
 Toothfish
 Mahi Mahi



Farmed Fish

Fresh Fish (whole round and fillets)
 Red Drum (Sciaenops ocellatus)
 European Seabass (Dicentrarchus labrax)
 Dusky Kob
 GMO free
 Sustainable aquaculture
 Farmed fish fed without animal fat



Fresh Fish

Fresh fish
 Pelagic
 Tuna (Yellowfin, Albacore, Big Eye)
 Swordfish
 Mahi Mahi
 Demersal: Grouper, Red Snapper, Emperor
 Seabream

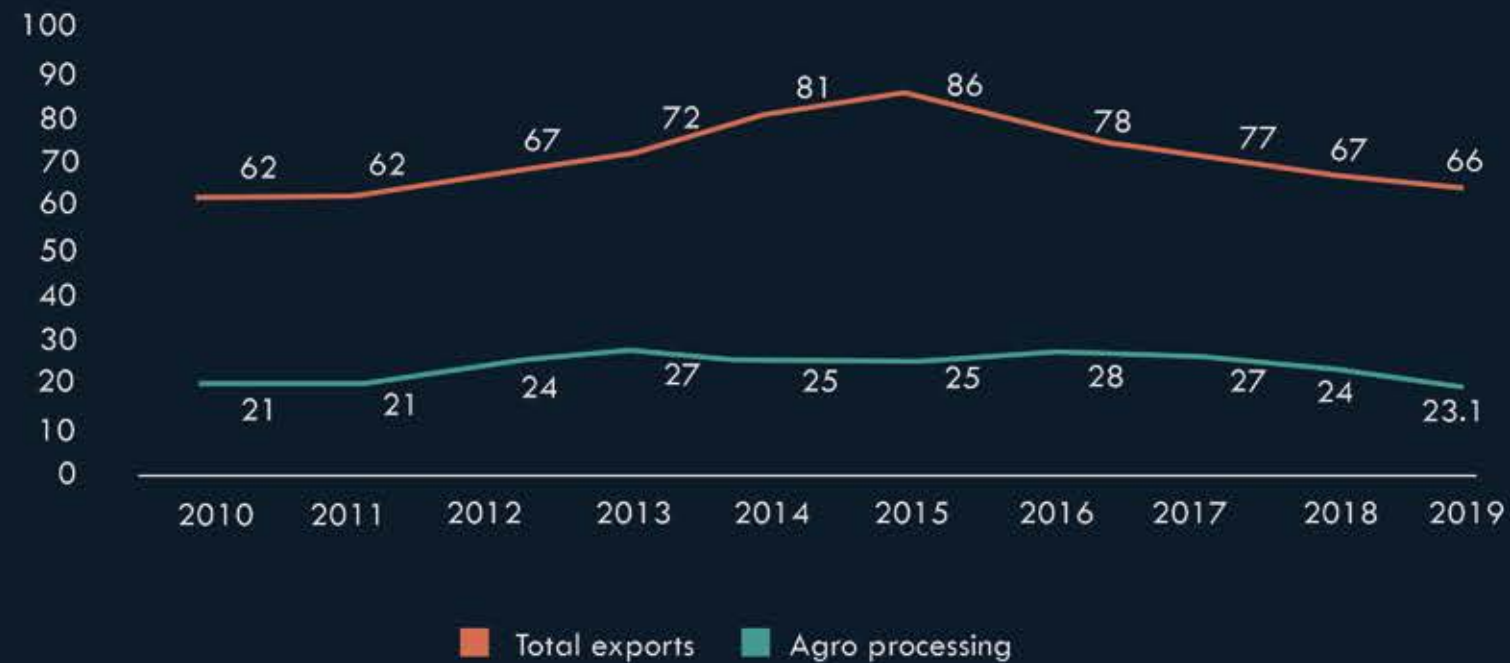
Food Processing

Value of domestic exports of Agro products rose to reached MUR 23 b in 2019. The main exported products were Sugar, Seafood, namely canned tuna, Animal feed, Wheat flour and Fruits, Spirits, spices and other prepared foods.

Main export destinations: Europe, Africa, Middle East

Employment: 3,240

No. of Operators: 19 EOE

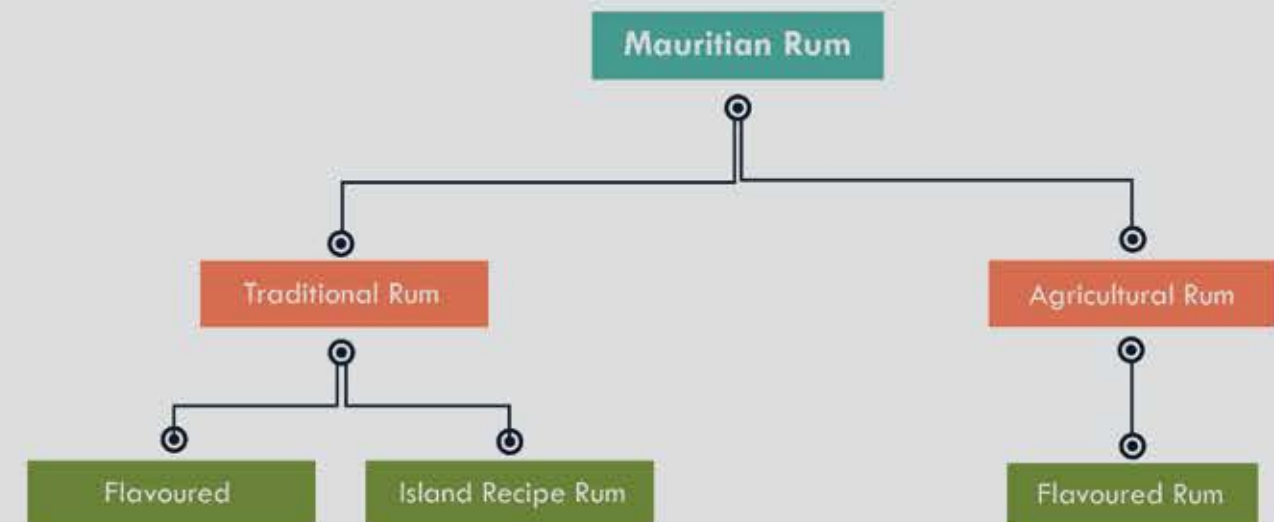


Rum, Beer & other Spirits

Employment: **500** | No. of Operators: **12** | **6** big distillers | Total Volume: **28,939,935 Lt** |
Total Trade Value: **MUR 726 million** (Incl. beer, undenatured alcohol, spirits, wine, rum & other liquors)

Top Export Destinations 2019

MG - Madagascar - **249 m** | ZA - South Africa - **19 m** | KE - Kenya - **179 m** | NL - Netherlands - **63 m** | FR - France - **41 m** | RE - Reunion - **51 m** | SC - Seychelles - **26 m** | GB - United Kingdom - **8.5 m**



Mauritius is one of a few countries that produces both industrial and agricultural rum. The Agricultural Rum is high quality rum known and appreciated for its specific aroma and flavour. A new category of rum, the Island Recipe Rum is also produced in Mauritius using artisanal processes to macerate tropical fruits and spices from the island. Mauritian Rums have received multiple international recognitions and awards from European experts in Rum Tasting competition in UK.

Promotional events: Hong Kong International wine & spirit - Nov 2018 | Bar Convent Berlin - Oct 2019



Way Forward

The Manufacturing Traditional Industry is meant to stay for another five decades. The current challenge is to accelerate the transformation of the manufacturing sector to gain a competitive edge over low cost competitors. It is crucial for the Industry to adopt technology and move to another level of production and come up with new innovative products offer. Further, the strategic position of Mauritius coupled with the numerous preferential access to Europe, USA, Africa and China definitely gives the stakeholders a certain confidence to move forward.

Business Strategy
Innovation
Branding
Marketing
Analysis
Ideas
Success
Management

8

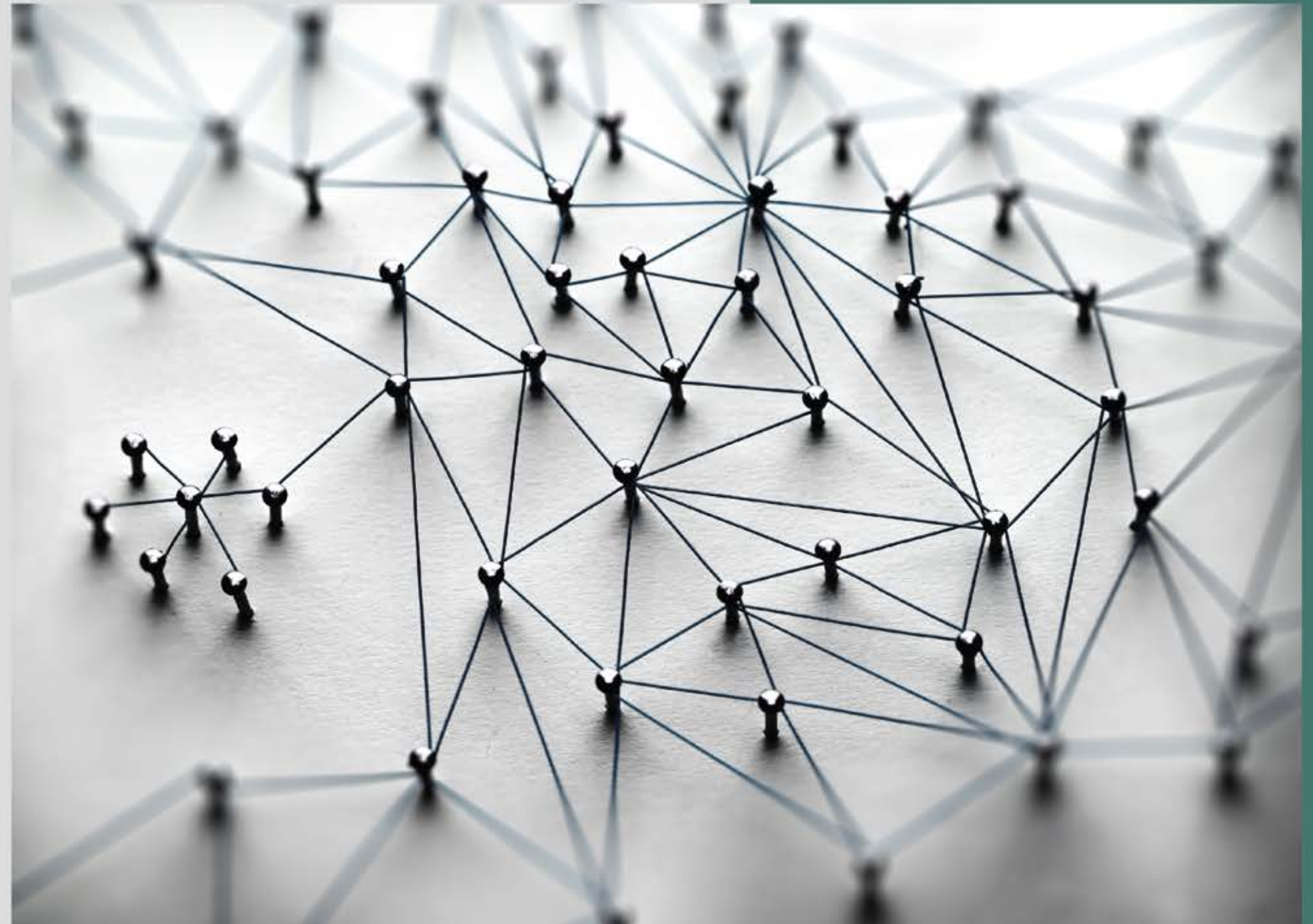
PR &
COMMUNICATION
INITIATIVES

134:23:454:12

Business Strategy
Innovation
Branding
Marketing
Analysis
Ideas
Success
Management

PR & Communication Initiatives

The focus of our communication strategy aimed at reaching out to the global investing community while promoting opportunities across various sectors. In view of enhancing the visibility of Mauritius, EDB equally engaged with key local and international media through regular interviews and adverts for the period Jan 18 - June 19.



Consolidating the image of the Mauritius IFC

The present global economic situation underscores major reputational challenges for International Financial Centres (IFC). Mauritius, as a key IFC especially for Africa and other emerging markets, faces numerous such reputational risks, notably in light of recurrent articles in the international press with potentially damaging allegations against our financial services sector.

Taking into account the release of the so-called, "Paradise Papers" and "Mauritius Leaks", by the International Consortium of Investigative Journalists (ICIJ) and claims and publications from other Non-Government Organisations (NGOs) such as Tax Justice Network (TJN) and OXFAM International, there was an urgent need to seek the services and expertise of an international PR firm to address such challenges.

As such, the EDB appointed Burson - Cohn & Wolfe (BCW) in December 2018 to address the reputation and image issues of Mauritius and enhance the visibility of the Mauritius IFC in our key markets.

A full-fledged communication strategy workshop comprising consultations with the broad-based stakeholders within the financial services sector of Mauritius was organized with a view to devise the PR strategy for the Mauritius IFC. The workshop saw the participation of over 60 financial services companies attending the workshop. Accordingly, a three-fold strategy 'Repair, Build and Protect' was formulated to address the reputational issues of the Mauritius IFC while instilling confidence and re-establishing the trust in our IFC.



The Repair Strategy

BCW implemented as a priority to address the reputational challenges of the Mauritius IFC through the 'Repair Strategy', over a 3 months period. This strategy entailed at promoting positive narrative on the IFC while reaching out to critics and mitigating the reputational risk in Africa and India.

Moreover, BCW partners in India assisted in the compilation of an India strategy aimed at restoring confidence in Mauritius as an IFC through a series of media interventions over a 3-month period.

Brand Visibility Initiatives - Mauritius IFC Promotional Video

The Ministry of Financial Services and Good Governance has instructed the EDB to commission a new video for the Mauritius IFC in June 2019. The EDB accordingly assisted the Ministry of Financial Services and Good Governance to produce a promotional video for the Mauritius IFC and the conceptualisation of a new Mauritius IFC visual identity, which was launched on 29 August 2019.

Mauritius Leaks

Following the publication of Mauritius Leaks, the EDB has initiated numerous PR and Communications initiatives which comprised:

- Dissemination of a rejoinder in publications that have published the ICIJ article and renowned international media organizations
- Preparation of an online and social media Global Report to analyse the impact and media of the Mauritius Leaks
- Closely monitor the media outreach on the rejoinder

In addition to the above, the EDB also appointed MSL Group, a global PR agency to implement a short crisis communication strategy comprising media monitoring, dissemination of the media statement and one-on-one Media interventions with specific critical media.



Participation in key media reports and publications

Newsweek Country Report on Mauritius

The EDB participated in the Newsweek Mauritius Country Report which provides an in-depth business reporting on Mauritius which, as opposed to mainstream news, offers a fair and balanced view on Mauritius and provide multiple incisive analysis and sectorial presentations by a variety of experts. The EDB has also sponsored a two-page impactful editorial content which enhanced the country's visibility as a dynamic, transparent, well-regulated and thriving business centre offering a wide array of opportunities for investors and the business community.

Other Media Collaborations

The EDB has also participated in a series of communication and PR initiatives to develop and nurture the image of Mauritius as a thriving investment center with broad-based activities. In this context, our communication strategy was enhanced through our partnerships with key foreign media namely, Forbes, Japan Times, CGTN, South China Morning Post, amongst others.



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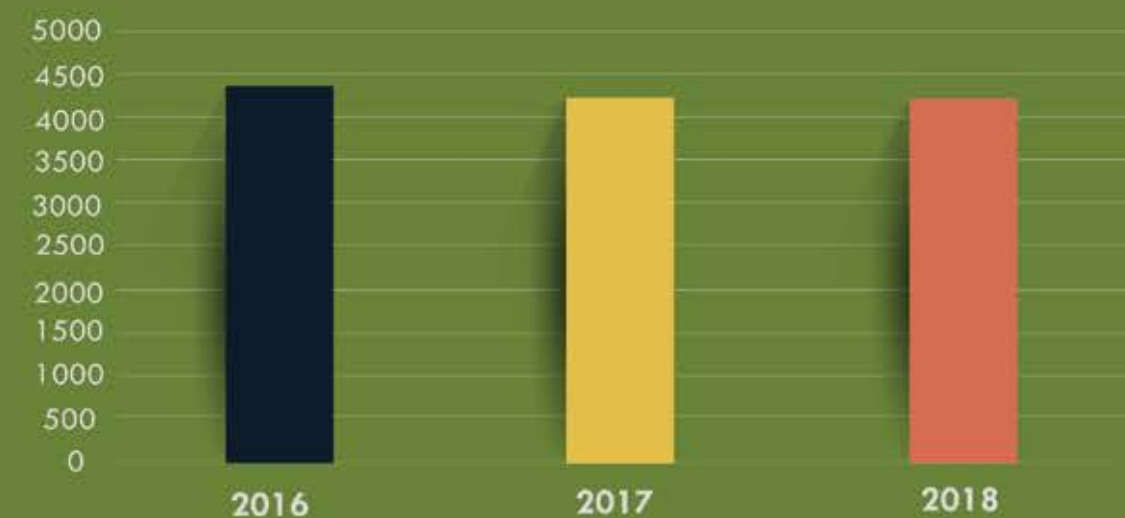
PROMOTING
OUTWARD
INVESTMENT



Despite the 13% decline in global FDI, Africa has risen to the challenge with FDI rising to USD 46 billion last year compared to USD 42 billion in 2017. The improving investment environment in Africa and the modest recovery in commodity prices have enticed an 11% growth. Besides, according to UNCTAD World Investment Report 2019, return on investment rose from 6.0% in 2017 to 6.5% in 2018.

On the back of the favorable economic revving of the continent, Mauritian companies continue to pursue their business strategy to expand their operations abroad, particularly in Africa. In 2018, Gross Direct Investment flows abroad maintained a stable trend at Rs. 4.2 billion.

Outward Direct Investment (Rs. M)



Outward Direct Investment were directed mostly to the Manufacturing sector and Financial and Insurance Activities which account for 38% (Rs. 1,630 million) and 30% (Rs. 1,286 million) respectively.

ODI BY GEOGRAPHICAL DESTINATION



ODI BY SECTOR (%)



Africa remains the preferred outward investment destination for domestic companies. In 2018, 41% of Mauritian investment were directed towards Africa amounting to Rs. 1,732 million while those to Europe were to the tune of Rs. 366 million (10%).

Kenya was the leading outward investment destination (Rs. 1,247 million) representing 30% of total ODI with significant investment in the financial services sector. Investment in Madagascar was targeted primarily in the manufacturing sector.

SEZ development

The development of Special Economic Zones (SEZs) is being increasingly used as an instrument for attracting investment. According to UNCTAD, more than 1,000 SEZs have been developed worldwide in the past 5 years and another 500 SEZ development is in the pipeline in the coming years. Today, there are around 5,400 zones across 147 countries worldwide.

Mauritius being a small economy, the strategic thrust is to capitalize on outward investment to enlarge our economic space. FDI outflows is viewed positively as a sign of Mauritius assuming a larger business role in the region. To that end, the Government is developing Special Economic Zones (SEZs) in targeted countries, namely Senegal, Ghana and Cote d'Ivoire as a vehicle for Mauritian companies to set up in these dedicated zones.



More recently, during their visit to Mauritius this year, H.E. Mr. Uhuru Kenyatta the President of Kenya and H.E. Mr. Andry Rajoelina, President of the Republic of Madagascar solicited the assistance of the Government of Mauritius to develop an Industrial and Technology Park in Naivasha, Kenya and a Textile City in Moramanga, Madagascar respectively.



Africa SBU: Activities | July 2018 - June 2019

4

Business Forum

Mozambique, Madagascar,
Kenya & UAE

1

Export of Services Mission

Cote d'Ivoire & Senegal

4

Contact Promotion Program

Madagascar, Reunion & Seychelles,
Zambia & Zimbabwe & Comoros

1

Permanent Joint Commission

Kenya

3

Trade Fair

Egypt, Kenya & Madagascar

1

Inward Mission

Lesotho

1

B2B/B2C

Comoros

1

Workshop

SADC TRF Market Survey



10

DOING
BUSINESS



Transforming Mauritius as one of the best places in the World for doing business

13th out of 190 countries in the world

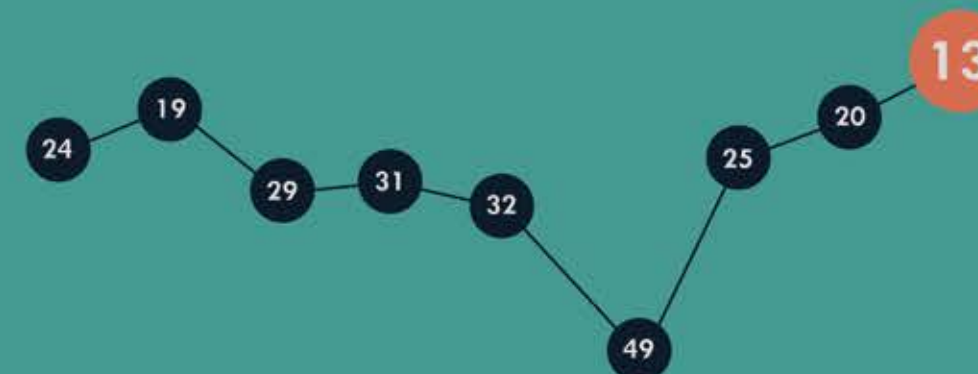
One of the mandates of the EDB is to ensure Mauritius offers a conducive business environment to the business community. A thriving doing business climate is fundamental for local firms to grow, create employment and, project Mauritius as the ideal investment destination in Africa and beyond. For these reasons, improving the doing business climate has been one of the topmost priorities of the Government, mandating bold administrative, institutional and legislative reforms.

In FY 18/19, the World Bank positioned Mauritius at the 20th position out of 190 countries and 1st in Sub Saharan Africa in its flagship report, the Doing Business Report 2019.

In October 2019, the same report moved Mauritius up to the 13th position for its doing business climate. This was the first time that the country was ranked so high - amongst the Top 15 countries in the world- since the publication of the report in 2003.

Doing Business Report (Rankings)

2012 2013 2014 2015 2016 2017 2018 2019 2020





The World Bank recognised significant progress made by Mauritius in several areas probed as follows:

Paying Taxes Indicator - The country ranks at the 5th position for its ease to comply with taxation rules and standards. In 2019, the Mauritius Revenue Authority introduced an expedited processing system for Value Added Tax (VAT) refunds, upgraded its online platform to allow for the online submission of invoices and amended corporate income tax returns.

Dealing with Construction Permits Indicator - Mauritius is ranked at the 8th position in securing relevant construction permits. The onboarding of the Building and Land Use Permit (BLUP) on the National Electronic Licensing System (NELS) made it possible for developers to apply, pay and obtain their permits online coupled with relevant clearances from the utilities.

Protecting Minority Investors Indicator - The World Bank ranked the country at the 18th position for its regulatory framework in protecting minority shareholders against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse.

Starting a Business Indicator - Mauritius is the 20th easiest country out of 190 countries in the world to start a business. The whole process to register and incorporate a company can be carried out online.

Enforcing Contract Indicator - The Mauritian jurisdiction stands at the 20th position for its quality of judicial processes and an efficient court system.

The country has constantly been catching-up with the best jurisdictions in doing business, bearing testimony of the strong commitment on behalf of the EDB towards this agenda. At a regional level, the country maintained its leading position in Sub-Saharan Africa as it tops other key indices such as the Global Competitiveness Index 2019 – World Economic Forum, the Mo Ibrahim Index of African Governance 2019 and the Forbes Survey of Best Countries for Business 2019.

In FY 18/19, the EDB, in collaboration with the Ministry of Finance and Economic Development, made landmark progress on key projects and kick-started other strategic initiatives, all aiming at improving our business environment.



Business Process Re-Engineering

A Business Process Re-engineering (BPR) exercise aimed at streamlining processes for 140 permits and licences across 14 Ministries and other public-sector agencies was conducted. The team investigated inefficiencies, duplications and red-tapism both at regulatory and institutional level. An assessment of the IT readiness of the public sector agencies was equally conducted. The BPR exercise was completed in June 2019. The mapped re-engineered processes would be used to onboard the National E-Licensing System in a phased manner.

Business Facilitation (Miscellaneous Provisions) Act 2019

This was the second Business Facilitation Act voted by Government within a span of three years. This above-mentioned act amended 28 enactments. Subsequently, 24 regulations were amended or introduced, addressing legal impediments to doing business and paving the way for the advent of technology in the application and processing of permits on the National Electronic Licensing System. It is noteworthy that 15 Regulations have been amended in view to facilitate trade by streamlining process for import and export permits. Additionally, the Corporate and Business Registration Department has been transformed into a one-stop-shop for registration of businesses and payment of trade fees.

National Electronic Licensing System

The National Electronic Platform (NELS), announced in the National Budget 2016 aims to become the central repository of all business-related licences and permits. The platform provides transparent, rule-based access to licensing procedures, allows online submission, processing and approval of applications, and comprises a built-in audit trail as well as associated electronic payment mechanism. It was officially launched in March 2019 and provides access to government services anytime and anywhere. As at date, applications for 7 permits can be made via the platform, including, the Building and Land Use Permit (BLUP), Environment Impact Assessment (EIA) Preliminary Environment Report (PER) and Occupation Permit (OP). The platform has over 10,000 registered users and over 26,000 different applications have been processed on the platform with over MUR 160 million online payments generated.

<https://business.edbmauritius.org>

Regulatory Impact Assessment Framework for Mauritius

A Regulatory Impact Assessment (RIA) framework is being implemented by the Organisation for Economic Co-operation and Development (OECD) to provide a systemic approach to critically assess the positive and negative effects of proposed and existing regulations and non-regulatory alternatives.

The RIA framework will ensure that law-making henceforth takes place in accordance with the principles of “smart regulation” and “better regulation”. The project is being co-financed by the European Union. The OECD is to conduct two field missions in Mauritius by the end of 2019 and run awareness and practical workshops with relevant stakeholders. The Government is to decide on a business-related legislation which will be used as a pilot for the first RIA.

Stakeholder engagements

The EDB has been working in close collaboration with key public sector agencies and the business community, including Business Mauritius and the Mauritius Chamber of Commerce and Industry (MCCI), and others.

This mechanism has been instrumental in identifying impediments to doing business and initiate further reforms for sound regulatory policies and good practices.

Key upcoming initiatives

Regulatory Review

A major regulatory review will be conducted which will have a fresh look of at our business-related legislations and align them with the needs and challenges of the country. The exercise will inter-alia focus on four key sectors namely, Land Use and Construction, Trade & logistics, Tourism and Healthcare and Lifesciences.

Secured Transactions reforms

Mauritius has signed a Reimbursable Advisory Services (RAS) agreement with the World Bank for technical assistance on secured transaction reforms. The main objective is to promote and facilitate the development of efficient secured transactions systems and collateral registries to expand access to finance, with special focus on increasing financing for small and medium-sized enterprises (SMEs).

As stated by the former Chief Executive of the World Bank Group, Dr Kristalina Georgieva, *‘Doing Business reforms are a marathon and not a sprint’* and the EDB will continue to strive for a world-class business environment in Mauritius.





11

EXPANDING
GLOBAL
PRESENCE

Global Outreach Strategic Business Unit

The **Global Outreach Strategic Business Unit (GOSBU)** engages in market development and consolidation, with prime objective being investment and trade promotion. GOSBU works closely with EDB overseas offices, providing them with strategic direction on matters pertaining to trade and investment.





Overseas Representation

In line with the economic diplomacy initiatives of the Government of Mauritius, it was decided to establish permanent presence in key targeted capital cities to service the international investor and buyer communities with a view to boost promotional strategies:

- The Paris Office was officially launched in 2015 and is located within the premises of the Mauritian Embassy.
- The New Delhi Office was officially launched within the premises of Mauritius High Commission in New Delhi by the Right Hon. Sir Anerood Jugnauth, then Prime Minister in October 2015. The office has recently been relocated to Mumbai - the financial and economic hub of India.
- An Economic and Trade Office was opened in Sandton, Johannesburg in 2016.
- The Kenya Office was opened in Nairobi which is considered as the business hub for East and Central Africa.

The Budget 2016-2017 speech provided for the recruitment of six Counsellors (Economic Matters) to attract Foreign Direct Investment and boost trade:

- Mauritius High Commission in Australia, (Canberra)
- Mauritius High Commission in South Africa, (Pretoria)
- Mauritius Embassy in Russia, (Moscow)
- Mauritius High Commission in UK, (London)
- Mauritius Embassy in Switzerland, (Geneva)
- Mauritius Embassy in USA, (Washington)

In October 2018, Ministry of Foreign Affairs, Regional Integration & International Trade and EDB entered into an MoU providing for, inter-alia, the Counsellors (Economic Matters) to report to the EDB on all matters pertaining to Trade and Investment Promotion.



Expanding Global Footprint

Asia

Japan

The EDB established a representative office in Tokyo in 2019 to bring visibility to Mauritius as a competitive trade and investment destination to the Japanese market

People's Republic of China

Mauritius signed a FTA with the People's Republic of China in 2019. In light of the importance of the Chinese market from both trade and investment perspectives, EDB established a representative Office in Shanghai recently

Singapore

The Singapore Office was registered in December 2019 to oversee trade and investment promotion in the Southeast Asia markets.

Middle East

EDB is envisaging to expand its presence in the Middle East through the establishment of a representative office in the UAE (Dubai).

Africa

EDB currently operates two offices on the Continent, namely in South Africa and Kenya.

Major events organised by GOSBU in 2018 /2019

Date	Event
November 2018	2 nd Mauritius - Russia Business Forum in Mauritius Inward Delegation from Russia
February 2019	Investment Promotion Event and Business Forum in UK, France and Switzerland
July 2019	Inward Delegation from CCPIT - China
August 2019	Participation in TICAD7 (Prime Minister led event) - Japan Opening of EDB office in Japan
October 2019	3 rd Mauritius - Russia Business Forum Participation in First Russia Africa Economic Forum in Russia
November 2019	Business Forum in Shenzhen - China
	Inward Delegation - Mitsui Group - Japan





12

CORPORATE
GOVERNANCE
REPORT



Corporate Governance

The Economic Development Board (EDB) is a statutory body set up under the Economic Development Board Act 2017. EDB was constituted from the merger of the former Board of Investment (BOI), Enterprise Mauritius (EM), and the Financial Services Promotion Agency (FSPA). EDB became operational as a new institution on 15th January 2018, following the promulgation of the Economic Development Board Act 2017.

Section 6 of the Economic Development Board Act 2017 provides that EDB shall be administered and managed by a Board, which shall consist of:

- a Chairperson, to be appointed by the President on the advice of the Prime Minister after consultation with the Leader of the Opposition;
- a Vice-chairperson, to be appointed by the Prime Minister; and
- not less than 6 but not more than 8 Members, to be appointed by the Prime Minister.

The Economic Development Board Act 2017 also provides for the setting up of such subcommittee, technical committee or advisory council as may be necessary to assist the Board or the Chief Executive Officer in the discharge of their functions.

Corporate Governance is viewed by EDB as an integral part of its system for ensuring performance and success. As a parastatal body wholly owned by Government. Since its inception, EDB fell under the purview of the Prime Minister's Office, but as from November 2019 operates under the aegis of the Ministry of Finance & Economic Development. EDB is committed to fulfilling its mandate in a manner which is consistent with good governance practices, particularly accountability, transparency, responsibility and ethics.

Governing Bodies

The direction, control, and accountability of the business of EDB are vested in the Board.

Business is conducted in accordance with the provisions of the Economic Development Board Act 2017, other relevant statutory provisions, and the application of principles of good governance. All functions are exercised in good faith with

Board of Directors

The Board is responsible for the overall direction, strategy, performance, and management of the organisation. Authority for implementing the Board's policies is delegated to the Chief Executive Officer within certain limits as authorised by the Board.

For the Accounting Period 15th January 2018 to 30th June 2019, the Board was composed of the following members.

Name of Board Member	Function	Date of Appointment
Mr Joseph E. Charles Cartier (Chairman)	Delivery Centre Director Accenture Mauritius	20 th November 2017
Mr Azim F. Currimjee (Vice- Chairman)	Managing Director Food & Beverages Cluster, Currimjee Group & Managing Director, Quality Beverages Ltd	5 th December 2017
Mr. Dharam Dev Manraj (GOSK)	Financial Secretary Ministry of finance and Economic Development	5 th December 2017
Dr Alexandra Henrion Caude	Directrice des recherches l'Institut National de la Santé et de la Recherche Médicale (INSERM) et Présidente d'Eisenhower Fellows de France	5 th December 2017
Mr. Dipak Chummun	Chief Finance Officer IBL Ltd	5 th December 2017
Mr. Cedric de Spéville	Chief Executive Officer Eclasia Group	5 th December 2017
Dr. Shameem Fawdar	Scientific Director Axonova Ltd	5 th December 2017
Mr. Terence Charles Smith	Chief Executive Officer Fundsmith	5 th December 2017
Mr. Rajiv T. Servansingh	Chairman MindAfrica	31 st August 2018





Statement of Director's Responsibility

The Directors of the Economic Development Board acknowledge their responsibilities for:

- Adequate accounting records and maintenance of effective control systems;
- Preparation of financial statements which fairly illustrate the state of affairs of EDB as at the end of financial year and the results of its operations and cash flows for that period and which comply with International Public Sector Accounting Standards (IPSASs); and
- Selection of appropriate accounting policies supported by reasonable and prudent judgments.

The external auditor (i.e. the Director of Audit, National Audit Office) is responsible for reporting on whether the financial statements are fairly presented.

The Directors report that:

- Adequate accounting records and an effective system of internal controls have been maintained;
- Appropriate accounting policies supported by reasonable and prudent judgments and estimates have been used consistently;
- Applicable accounting standards have been adhered to; and
- The Code of Corporate Governance as applicable to State-Owned Enterprises has been adhered to.

Operations of the Board

Meetings of the Board are scheduled in advance and Board papers are circulated before the meeting. In order to ensure a synergy between Management and the Board, Economic Development Board Act provides that the Chief Executive Officer is entitled to attend every meeting of the Board, except when the Board otherwise decides. This facilitates the implementation of policy decisions taken by the Board. The views and recommendations of the Board are also sought via e-circulation on operational matters, and subsequently ratified by the Board.

Board Committees

During the period January 2018 to 30th June 2019, the Board was assisted by 2 sub-committees. At its 4th Board meeting held on 15th February 2018, the Board resolved to set up a Human Resource Committee and an Audit Committee.

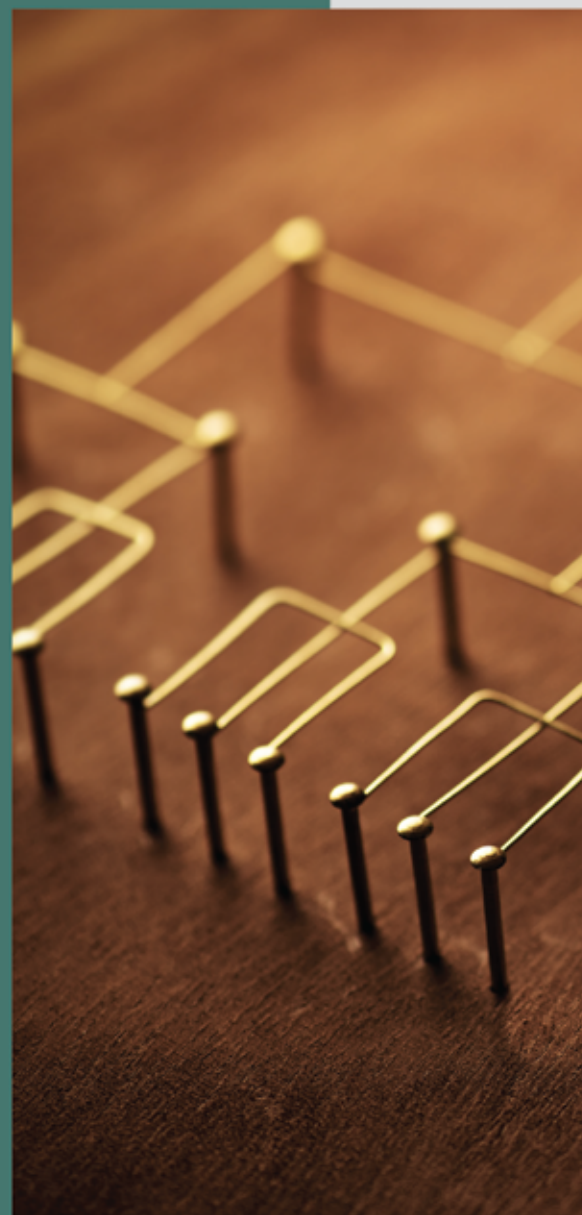
The Human Resource Committee

The key functions of the Human Resource Committee were to:

- Oversee, advise, and make recommendations to the Board on the HR Strategy and Plan of the EDB;
- Oversee, advise and make recommendations to the Board on the Organization Structure of the EDB;
- Make recommendations for the appointment of short-term consultants to assist in HR-related matters;
- Make recommendations for recruitment campaigns for Management-level staff and subsequent endorsement of selected candidates;
- Make recommendations for nominations, salary reviews and promotion exercises;
- Endorse recommendations with respect to decisions pertaining to the Chief Executive Officer's direct reports; and
- Participate in panel interviews for staff at managerial level.

The following Board Members constituted the committee for the period:

1. Mr. Azim Currimjee, Chairperson
2. Dr. Alexandra Henrion-Caude, Member
3. Mr. Cedric de Spéville, Member



The Audit Committee

The key functions of the Audit Committee were to:

- Oversee matters related to financial reporting, internal control systems, risk management systems and the internal and external audit responsibilities of the EDB;
- Review the financial statements of EDB, prior to approval by the Board;
- Assess the controls and best practices put in place by the EDB to mitigate any operational and reputational risks;
- Set up priorities for the conduct of internal audits, including audit of internal control systems put in place to mitigate the risks of EDB; and
- Report to the Board on the internal audits as and when internal audits are completed.

The following Board Members constituted the committee for the period:

1. Mr. Terence Charles Smith, Chairperson
2. Mr. Dipak Chummun, Member
3. Dr. Shameem Fawdar, Member

Board Member Attendance to Meetings & Board Members' Remuneration for the period 15th January 2018 to 30th June 2019

Name of Board Member	Director's Fees (MUR)			Board Attendance (15th Jan 2018 to 30th June 2019)
	Board Fees	Sub Committee Fees	Total Fees	
Mr. Joseph E. Charles Cartier (Chairman)	2,517,666.67	—	2,517,666.67	Attended 17 meetings
Mr Azim F. Currimjee (Vice- Chairman)	1,118,548.39	330,000	1,448,548.39	Attended 16 meetings
Mr. Dharam Dev Manraj (GOSK)	752,258.06	—	752,258.06	Attended 12 meetings
Dr Alexandra Henrion Caude	747,096.77	165,000	912,096.77	Attended 14 meetings
Mr. Dipak Chummun	750,967.74	165,000	915,967.74	Attended 13 meetings
Mr. Cedric de Spéville	752,258.06	—	752,258.06	Attended 12 meetings
Dr. Shameem Fawdar	750,967.74	165,000	915,967.74	Attended 16 meetings
Mr. Terence Charles Smith	753,548.39	330,000	1,083,548.39	Attended 9 meetings
Mr. Rajiv T. Servansingh	393,333	—	393,333.00	Attended 8 meetings
Total	8,536,644.82	1,155,000.00	9,691,644.82	

Note: Payment of Board fees covers period prior to January 2018 also, as Board members were appointed during the month of December 2017, except for the Chairman who was appointed in November 2017.





The Management

Our Employees

The main and most important asset of EDB is its human capital and the collective knowledge of all its staff. Accordingly, EDB is shaped to become a conducive environment where each employee is efficient, committed, and motivated.

In light of creating more fairness, equity and transparency, a Human Resources Committee has been set up where HR issues are discussed in good faith and with integrity.

EDB has a concise Recruitment and Selection Policy which aims at recruiting and retaining the best talent available. Furthermore, EDB adopts a structured and transparent recruitment process to help the organization to integrate its employee-retention measures, thereby fostering positive growth prospects.

There are clearly defined HR policies and procedures within the organisation thus providing guidelines on employer - employee interaction, appropriate work behaviors, work schedules, employment laws, conflict resolution, disciplinary measures and health, and safety measures. These policies allow the employees to work together peacefully

Ethics

All EDB employees must adhere to stringent ethical standards and the highest level of professionalism at all times.

Every employee endeavoured to be cautious in whatever he does to avoid tarnishing the public image of the Organisation.

Every employee is required to maintain a high level of civility and good orderliness and refrain from any conduct that may adversely affect or impair the name and good reputation of the Organisation;

Every employee is required to behave towards his colleagues, staff, customers and the public in general with civility and respect; and without partiality or preference.

EDB participates to the Public Private Partnership Against Corruption (PPPAC) committee set up by the Independent Commission Against Corruption (ICAC). This Committee is responsible for developing and coordinating the implementation of the anti-corruption initiatives and programmes across organisations in Mauritius. In line with its recommendations, EDB is developing an anti-corruption policy based on the ICAC's guidelines, which includes a Gift Policy which details the procedures to be followed in the handling of gifts.

Sustainability

EDB is committed to promoting work practices that preserve the environment. Sustainability can only be achieved through a concerted effort to minimize impact on the environment. BOI promotes a work environment with minimal paper utilization.



Corporate Social Responsibility

The EDB Welfare committee aims to create a bond of solidarity and a spirit of satisfaction among the staff members, which in turn enhances the organisation climate. The Welfare Committee builds a healthy and happy working environment and foster good relationships among the staff.

Health and Safety

EDB believes that providing a healthy and safe working environment is paramount to the well-being of the employees and the employer. EDB has recruited a part-time Health & Safety Officer since September 2019 to ensure that the organisation is compliant to health and safety issues.

EDB, in line with its commitment to providing and maintaining a healthy, safe and secure working environment recruited a Health and Safety Officer as required by Law. The key functions of the HSO include raising awareness of health and safety issues and ensuring that EDB personnel are aware of measures to be implemented and precautions to be taken to prevent workplace accidents and in improving the well-being of its staff. Moreover, as part of the post COVID-19 lockdown, the HSO has been actively involved with the HR Department and the Audit & Compliance Department in ensuring that the offices of EDB were appropriately sanitised and warning signage in place for guiding and informing employees and visitors about hygienic precautions.

Risk Management

Internal Risk Management

Internal Audits

Since December 2018 EDB has appointed BDO as internal auditor to provide independent assurance that the organisation's risk management and governance frameworks as well as its internal control processes are operating effectively. Internal audit is carried out through reviews on a quarterly basis.

Information Technology

EDB ensures that IT resources are optimally used to provide the organisation with the information that it needs to achieve its business objectives while minimizing the risk of fraud, corruption and misuse of resources.

Appropriate safeguards and firewalls are in place to protect the intellectual property of EDB against attacks. While providing its employees with up-to-date IT facilities and tools to enable them to operate more efficiently and effectively, EDB has adopted a number of policies and implemented measures to ensure an ethical and lawful use of its infrastructure.

ISO Standards and Certification

EDB is preparing itself for ISO certification on two levels. First EDB will be seeking certification to ISO 9001:2015, and then ISO 31000 based on the COSO framework for Enterprise Risk Management.

External Risk Management

Adopting an Anti-Corruption Policy

As part of its commitment to promote good governance, EDB forms part of the PPPAC which is responsible for developing a Public Sector Anti-Corruption Framework. This Anti-Corruption Framework is considered as the basic tool to entrench the principles of integrity, transparency and accountability in organisations.

The Anti-Corruption Policy sets the tone at the highest level of the organisation for a culture of integrity, and will be the implementation arm for the actions prescribed in the framework to fight against corruption.

The Anti-Corruption Committee is responsible for developing and coordinating the implementation of the anti-corruption initiatives and programmes within the organisation.

Corruption Risk Management activities have also been carried out in order to recognise and analyse any perception of corruption and develop remedial actions to minimise and manage those risks. These initiatives of the Economic Development Board further emphasises our commitment for a zero-tolerance culture against corruption.

Related Party Transactions

Related Party Transactions with respect to Board Directors amounted to MUR 11,136,419.





13

FINANCIAL
STATEMENTS



NATIONAL AUDIT OFFICE

REPORT OF THE DIRECTOR OF AUDIT

TO THE BOARD OF THE

ECONOMIC DEVELOPMENT BOARD

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the Economic Development Board, which comprise the statement of financial position as at 30 June 2019 and the statement of financial performance, statement of cash flows, statement of comparison of budget and actual amounts and statement of changes in net assets/equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Economic Development Board as at 30 June 2019, and of its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report. I am independent of the Economic Development Board in accordance with the INTOSAI Code of Ethics, together with the ethical requirements that are relevant to my audit of the financial statements in Mauritius, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined that there are no key audit matters to communicate in my report.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report of the Economic Development Board, but does not include the financial statements and my auditor's report thereon.

REPORT OF THE DIRECTOR OF AUDIT

On the Financial Statements
of the Economic Development Board
for the year ended 30 June 2019

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Economic Development Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible of overseeing the Economic Development Board's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Economic Development Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Economic Development Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Economic Development Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Management's Responsibilities for Compliance

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible to ensure that the Economic Development Board's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provisions of laws and regulations that determine the reported amounts and disclosures in an entity's financial statements.

Auditor's Responsibilities

In addition to the responsibility to express an opinion on the financial statements described above, I am also responsible to report to the Board whether:

- (a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit;
- (b) the Statutory Bodies (Accounts and Audit) Act and any directions of the Minister, in so far as they relate to the accounts, have been complied with;
- (c) in my opinion, and, as far as could be ascertained from my examination of the financial statements submitted to me, any expenditure incurred is of an extravagant or wasteful nature, judged by normal commercial practice and prudence;

- (d) in my opinion, the Economic Development Board has been applying its resources and carrying out its operations fairly and economically; and
- (e) the provisions of Part V of the Public Procurement Act regarding the bidding process have been complied with.

I performed procedures, including the assessment of the risks of material non-compliance, to obtain audit evidence to discharge the above responsibilities.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Statutory Bodies (Accounts and Audit) Act

I have obtained all information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

Submission of Annual Report

The financial statements of the Economic Development Board for the year ended 30 June 2019 were submitted on 31 October 2019. The financial statements were subsequently amended. The Annual Report, including the amended financial statements of the Economic Development Board for the year ended 30 June 2019, was submitted on 28 August 2020, that is, some 10 months after the statutory deadline.

Except for the late submission of the Annual Report, the Economic Development Board has complied with the Statutory Bodies (Accounts and Audit) Act in so far as it relates to the accounts.

Based on my examination of the accounts of Economic Development Board, nothing has come to my attention that indicates that:

- (a) any expenditure incurred was of an extravagant or wasteful nature, judged by normal commercial practice and prudence; and
- (b) the Board has not applied its resources and carried out its operations fairly and economically.

Public Procurement Act

In my opinion, the provisions of Part V of the Act have been complied with as far as it appears from my examination of the relevant records.



C. ROMOOSAH
Director of Audit

National Audit Office
Level 14,
Air Mauritius Centre
PORT LOUIS


31 August 2020

ECONOMIC DEVELOPMENT BOARD

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019


		30-Jun-19	15-Jan-18
		MUR	MUR
ASSETS	Notes		
Current Assets			
Inventory			438,629
Trade Receivables	5	5,073,346	2,833,781
Other Receivables	6	24,475,301	14,119,360
Cash and Cash Equivalents	7	550,484,391	104,921,332
		580,033,038	122,313,102
Non-Current Assets			
Property, Plant and Equipment	8	64,351,479	53,311,752
Investment Property	9	30,651,250	32,550,000
Intangible Assets	10	21,224,268	23,893,106
Investment		10,000	10,000
Other Receivables	23	2,310,000	685,417
		118,546,997	110,450,275
TOTAL ASSETS		698,580,035	232,763,377
EQUITY & LIABILITIES			
Current Liabilities			
Trade Payables	11	3,086,121	5,731,287
Other Payables	11	80,761,824	61,279,905
Employees Benefit and Obligations	12	4,824,928	841,548
Short Term Car Loan	23	1,044,750	983,428
		89,717,623	68,836,168
Non-Current Liabilities			
Employees Benefit and Obligations	12	108,562,498	57,711,074
Film Rebate Fund		421,117,364	
Other Payables		131,820	131,820
Long Term Car Loan	23	2,310,000	685,417
		532,121,682	58,528,311
Total Liabilities		621,839,304	127,364,479
NET ASSETS		76,740,731	105,398,898
EQUITY			
General Fund		76,740,731	105,398,898
TOTAL EQUITY & LIABILITIES		698,580,035	232,763,377

Approved by the Board of Directors on the 21st August 2020



Hemraz Ramnial, CSK

Chairman



Mohamad Issa Soormally

Vice Chairman



Namasivayen Poonosamy
Ag. Chief Executive
Officer

The notes on pages 206 to 226 form an integral part of these financial statements.

ECONOMIC DEVELOPMENT BOARD

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	<i>Notes</i>	30-Jun-19
		MUR
Continuing Operations		
REVENUE		
Government Grant	13	852,556,136
Revenue From Non-exchange Transactions	13 i	805,500
Self Generated Revenue	13	10,155,004
Other Revenue	13	<u>2,602,280</u>
Total Revenue		<u>866,118,920</u>
EXPENSES		
Staff costs	14	303,258,883
Administrative Expenses	15	95,563,683
Other Administrative Expenses	16	97,351,072
Promotion Expenses	17	133,393,172
Capacity Building	18	4,559,809
Refund Schemes	19	209,004,139
Finance Cost		453,300
Depreciation & Amortisation		<u>15,790,610</u>
Total Expenses		<u>859,374,668</u>
Surplus for the period		<u>6,744,252</u>

The notes on pages 206 to 226 form an integral part of these financial statements.

ECONOMIC DEVELOPMENT BOARD
STATEMENT OF CASH FLOWS
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	30 Jun 2019
Cash flow from operating activities	
Surplus/(Deficit) for the period/year	6,744,252
<i>Non- cash Movements</i>	
Depreciation & Amortisation	15,790,610
Refund of Leaves Ex-FSPA	(207,571)
Employees Retirement Benefits	3,540,487
Remeasurement of Employees Retirement Benefits	(35,194,837)
Increase/(Decrease) in Payables	18,522,658
Increase/(Decrease) in provisions relating to employee costs	51,294,317
(Deficit)Surplus on disposal of property, plant and equipment	1,903,231
Decrease/(Increase) in Trade and other receivables	(14,220,100)
Decrease/(Increase) in Inventory	<u>438,629</u>
Net Cash flows from operating activities	<u>48,611,676</u>
Cash flows from Investing Activities	
Proceeds from Sales of Property Plant & Equipment	703,838
Purchase of property, plant and equipment	(24,869,820)
Net Cash flows from Investing Activities	<u>(24,165,982)</u>
Cash flows from Financing Activities	
Film Rebate Funds Received	571,381,013
Film Rebate Paid	(150,263,649)
Car Loan Received from MOFED/PMO	3,180,000
Car Loan paid to Staff	(3,180,000)
Car Loan Reimbursed by Staff	1,494,095
Car Loan Refunded to MOFED/PMO	<u>(1,494,095)</u>
Net Cash flows from Financing Activities	<u>421,117,364</u>
Net Increase/(Decrease) in Cash and cash equivalents	445,563,059
Cash and cash equivalents at the beginning of the Period	<u>104,921,332</u>
Cash and cash equivalents at the end of the Period	<u>550,484,391</u>

The notes on pages 206 to 226 form an integral part of these financial statements.

ECONOMIC DEVELOPMENT BOARD
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL (CONTINUED)
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	Budget Amount Jan 2018 to June 2019	Actual Amount	Difference	Remarks
Compensation of Employees	MUR	MUR	MUR	
Personal Emoluments				
Basic Salary	191,822,605	177,331,262	(14,491,343)	Several posts for which provision was made were not filled
Salary compensation	3,143,457	2,306,314	(837,143)	
Allowances	10,877,846	3,046,558	(7,831,288)	Allowances paid to several employees were stopped
End of Year Bonus	10,043,000	9,351,702	(691,298)	
Other Staff Costs				
Travelling and Transport	25,654,384	34,853,093	9,198,709	Alignment of terms and conditions of employees following salary review
Overtime	2,114,000	2,816,591	702,591	Drivers & Messengers
Staff Welfare/Medical Scheme	2,647,734	3,807,058	1,159,324	Alignment of terms and conditions of employees following salary review
Pensions (incl. Family Protection Scheme)	7,187,735	13,381,457	6,193,722	Several employees who were employed on contract basis became permanent & pensionable as from January 2019
Gratuity	23,169,014	22,805,603	(363,410)	
Refund of leaves	5,414,655	20,030,142	14,615,487	Excess leaves were refunded
Duty Remission	1,500,000	791,000	(709,000)	few employees opted for duty remission
Mobile phone Allowance	261,000	182,554	(78,446)	
Passage Benefits	4,041,511	8,477,454	4,435,943	Increase in provisions due salary revision and payment of arrears from January 2018

ECONOMIC DEVELOPMENT BOARD
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL (CONTINUED)
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	Budget Amount Jan 2018 to June 2019	Actual Amount	Difference	Remarks
	MUR	MUR	MUR	
Social Contributions				
Contribution to the National Savings Fund	4,552,693	1,258,866		
National Pension Fund	270,579	1,558,323	921,003	
Levy	175,827	1,260,907		
Goods and Services				
Cost of Utilities				
Electricity	5,952,000	5,746,063	(205,937)	
Telephone	10,603,000	12,037,411	1,434,411	
Water Charges	7,454	68,073	60,619	
Fuel and Oil				
Vehicles	2,248,000	1,653,715	(594,285)	
Rent				
Rental of Building	41,397,881	39,677,270	(1,720,611)	One floor at SICOM tower returned and delay in signing contract for one additional floor at One Cathedral Square.
Leasehold State Land (Plaine Verte) -inc. interest	12,115,527	1,679,000	(10,436,527)	Payment of arrears postponed based on legal advice
Office Expenses				
Postage	95,000	71,220	(23,781)	
Office Sundries	7,120,000	8,606,431	1,486,431	

ECONOMIC DEVELOPMENT BOARD
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL (CONTINUED)
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	Budget Amount Jan 2018 to June 2019	Actual Amount	Difference	Remarks
	MUR	MUR	MUR	
Maintenance				
Vehicles and Motorcycles	1,240,000	1,185,831	(54,169)	
IT & Other Equipment	9,464,472	4,531,876	(4,932,596)	Overprovision
Furniture, Fixtures and Fittings	170,010		(170,010)	
Buildings	25,800	1,400,280	1,374,480	Replacement of Carpets One Cathedral Square. Provision was made in EX BOI but installation and commission was done after January 2018.
Cleaning Services				
Cleaning of Office Premises	1,275,950	1,625,802	349,852	
Security Services				
Security Services	1,025,550	547,786	(477,764)	
Publications and Stationery				
Paper and Materials	150,000		(150,000)	
Printing and Stationery	3,240,000	2,502,524	(737,476)	
Books and Periodicals	775,070	440,895	(334,176)	
Fees				
Fees to Chairman and members of boards and committees	9,024,288	10,544,939	1,520,651	
Fees for Training	2,720,000	1,547,060	(1,172,940)	

ECONOMIC DEVELOPMENT BOARD
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL (CONTINUED)
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	Budget Amount Jan 2018 to June 2019	Actual Amount	Difference	Remarks
	MUR	MUR	MUR	
Country Branding	20,000,000		(20,000,000)	Project delayed
Capacity Building	27,000,000	4,559,809	(22,440,191)	Several planned projects were not undertaken
Other Goods and Services				
Uniforms	194,000	184,500	(9,500)	
Catering	900,000	369,971	(530,029)	
Professional Fees & Consultancy	8,877,000	22,355,865	13,478,865	Appointment of HR Consultants, Salary Review, BCW for Financial Services and Damage Control in Local Press (Blast Communication)
Investment/Digital Promotional Tool	3,500,000	3,165,218	(334,782)	
International Advertisement	6,600,000	1,361,472	(5,238,528)	
Miscellaneous Expenses/Advertising	2,410,000	4,186,641	1,776,641	Increase in Ad Hoc Advertisement
Conferences/Seminars/Workshop	19,785,000	24,550,621	4,765,621	Increase in number of Workshops & Conferences
Insurance	858,000	1,182,517	324,517	

ECONOMIC DEVELOPMENT BOARD
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL (CONTINUED)
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	Budget Amount Jan 2018 to June 2019	Actual Amount	Difference	Remarks
	MUR	MUR	MUR	
Licenses	942,031	10,906,018	9,963,987	<i>Under provision. Instead upgrading infrastructure EDB has opted for cloud system and purchase of licenses. Increase in no of Users of Microsoft Licenses</i>
Sponsorships (including Fintech)	-	20,686,743	20,686,743	<i>MOU was signed to Support Africa Fintech Association</i>
Foreign Office Representative	19,377,000	18,573,950	(803,050)	
Running Costs of e-Licensing Platform	29,500,000	11,566,724	(17,933,276)	<i>Overprovision</i>
Mission & Fairs				
Export Market Development /Promotion Support	166,095,000	111,654,004	(54,440,996)	<i>Several planned projects were not undertaken</i>
Freight Rebate Scheme for Africa	30,000,000	21,689,672	(8,310,328)	<i>Demand driven and based on actual claims</i>
Credit Guarantee Insurance Subsidy Scheme	3,000,000	1,812,260	(1,187,740)	<i>Demand driven and based on actual claims</i>
Speed to Market	180,000,000	169,628,395	(10,371,605)	<i>Demand driven and based on actual claims</i>
Refund to SMEs for participation on fairs	40,000,000	15,873,812	(24,126,188)	<i>Demand driven and based on actual claims</i>
Total	960,564,072	841,433,253	(117,288,812)	

ECONOMIC DEVELOPMENT BOARD
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL (CONTINUED)
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	Budget Amount Jan 2018 to June 2019	Actual Amount	Difference	Remarks
	MUR	MUR	MUR	
Acquisition of Non-Financial Assets				
Office Equipment and Furniture				
Office Equipment & Furniture	450,000	889,573	439,573	
Acquisition of Non-Financial Assets				
Refurbishment of Office & Office Furniture	14,850,000	13,851,166	(998,834)	
Acquisition of M. Vehicles	3,381,000	3,381,000	-	
Acquisition of IT Equipment	6,640,925	6,748,081	107,156	
Upgrading of ICT Infrastructure	14,419,000		(14,419,000)	<i>No investment in Servers as EDB is using cloud system</i>
Total	39,740,925	24,869,820	(14,871,105)	
Gross Total	1,000,304,997	866,303,073	(132,159,917)	

ECONOMIC DEVELOPMENT BOARD
STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	Note	Period Ended 30-Jun-19
		MUR
Balance as at 15 January 2018		105,191,316
Remeasurement of Employees Retirement Obligations	12 (i)	(35,194,837)
Surplus for the Period		6,744,252
Balance as at 30 June 2019		76,740,731

The notes on pages 206 to 226 form an integral part of these financial statements.

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

NOTES TO THE FINANCIAL STATEMENTS

1. INCORPORATION AND ACTIVITIES

The Economic Development Board (EDB) is a statutory body established under the Economic Development Board Act 2017. Following the proclamation of the said Act, on 30 December 2017, the EDB came into operation as from 15 January 2018 and assets, rights, obligations and liabilities of Ex-Board of Investment, EX-Enterprise Mauritius and EX-Financial Services Promotion Agency have been transferred to Economic Development Board, as per section 43 of the Act.

The principal address of EDB is 10th Floor, One Cathedral Square Building, 16 Jules Koenig Street, Port Louis.

The EDB is responsible for trade and investment promotion and business facilitation. The objects of the Economic Development Board are:

- (a) provide strong institutional support for strategic economic planning and ensure greater coherence and effectiveness in economic policy formulation.
- (b) promote Mauritius as an attractive investment and business centre, a competitive export platform as well as an international financial centre.
- (c) act as the main institution responsible for country branding for investment promotion; and
- (d) facilitate both inward and outward investment and ensure a conducive business environment.

2. BASIS OF PREPARATION

The principal accounting policies adopted by EDB are listed below:

2.1 Statement of Compliance

The financial statements of EDB have been prepared in accordance with the International Public Sector Accounting Standards (IPSASs) issued by the International Public Sector Accounting Standards Board (IPSASB) which is a Board of the International Federation of Accountants (IFAC).

Where an IPSAS does not address an issue, the appropriate International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) issued by the International Accounting Standards Board have been applied.

2.2 Going Concern

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period. They have been prepared on the historical cost basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2.3 Use of estimates and judgements

The preparation of financial statements in conformity with IPSAS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

In the application of the EDB's accounting policies, management is required to make judgements, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the estimate affects only that period or in the period of revision and future periods if the revision affects both current and future periods. Estimates include but are not limited to fair valuation of inventories, accounts receivables, accrued charges, contingent assets and liabilities, and degree of impairment of property, plant and equipment.

2.4 Reporting Date

Financial Statements have been prepared for the period 15 January 2018 to 30 June 2019.

2.5 Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of the financial performance, cashflows, and financial position on an accrual basis using historical cost are followed in the preparation of the financial statements.

3. IPSAS ISSUED BUT NOT YET EFFECTIVE.

3.1 IPSAS 41 Financial Instruments (effective date of January 1, 2022)

IPSAS 41 Financial Instruments establishes new requirements for classifying, recognizing, and measuring financial instruments to replace those in IPSAS 29, Financial Instruments: Recognition and Measurement.

3.2 IPSAS 42 Social Benefits (effective date of January 1, 2022)

IPSAS 42, Social Benefits, provides guidance on accounting for social benefits expenditure. It defines social benefits as cash transfers paid to specific individuals and/or households to mitigate the effect of social risk.

3.3 IPSAS 40 Public Sector Combinations (effective date of January 1, 2019)

IPSAS 40 provides the first international accounting requirements that specifically address the needs of the public sector when accounting for combinations of entities and operations. The standard classifies public sector combinations as either amalgamations or acquisitions.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3.3 IPSAS 40 Public Sector Combinations (effective date of January 1, 2019) (Continued)

EDB has accounted for all assets and liabilities from Ex-Enterprise Mauritius, Ex-Board of Investment and Ex-Financial Services Promotion Agency at the carry amount. EDB does not foresee any material possible impact of the application of IPSAS 40 its financial statements in the period prior to initial application.

4. ACCOUNTING POLICIES

The principal accounting policies of the EDB are as follows:

4.1 Intangible Assets, Property, Plant and Equipment

Items of Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition of the assets. Depreciation is recognised in the Statement of Financial Performance using the following expected useful lives so as to write off the cost of property, plant and equipment on a straight-line basis:

Intangible Assets	5 to 20 Years
Leasehold Land	26.5 Years
Buildings	50 Years
Furniture, Fixtures and Fittings	10 to 30 Years
Office Equipment	7 to 15 Years
Motor vehicles	5 to 12 Years
Computer System & Equipment	3 to 20 Years

4.2 Functional and Presentation of Currency

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the EDB operates. The functional currency is Mauritian Rupee. Rounding have been done where applicable to the nearest rupee.

(ii) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of EDB at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items are included in the statement of financial performance.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4.3 Revenue Recognition

The revenue is earned from exchange and non exchange transactions and measured at fair value of consideration received or receivable.

4.3.1 Government Grant

Grants from Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the EDB will comply with all attached conditions.

4.4 Expenses

All expenses have been accounted on an accrual basis.

4.5 Events after the Reporting Date

There was no event after the reporting date as at 30 June 2019

4.6 Comparative Figures

When an accounting policy is changed with retrospective effect, comparative figures are restated in accordance with the new policy.

4.7 Retirement Benefit Obligations

EDB operates both defined benefit pension and defined contribution pension schemes. Both schemes are managed by SICOM Ltd.

The present value of the defined benefit obligations is recognized in the Statement of Financial Position after adjusting the fair value of the plan's assets.

The net total of the current service cost, interest cost, expected returns on plan's assets, fund expenses, any recognized actuarial gains and losses and the effect of any curtailment or settlement is recognized in the statement of financial performance.

(ii) State Pension Plan

Contributions to the National Pension Scheme on behalf of temporary and contract employees are expensed in the statement of financial performance in the period in which they fall due.

NOTES TO THE FINANCIAL STATEMENTS(Continued)

4.7 Retirement Benefit Obligations (Continued)

(iii) Family Protection Scheme

This scheme is established by the Civil Service Family Protection Scheme Act.

Under this Act every public officer shall, from the date of his appointment, make a contribution to the Scheme at the rate specified in the Schedule, until he ceases to be a public officer and attains the age of 60 or optionally up to 65 years. On the death of the contributor, his surviving spouse and children are granted a pension at the rate specified in the Act. The pension granted ceases on the death of the surviving spouse or remarriage.

The Family Protection Scheme is managed by the State Insurance Company of Mauritius Ltd. The Organisation contributes 2 % and the employees contributes 2 % of their salaries to the Scheme.

The contribution made by the organisation to the scheme is expensed in the statement of financial performance in the period in which they fall due.

4.8 Use of Estimates and Judgement

The preparation of financial statements in accordance with International Public Sector Accounting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from these estimates.

4.9 Risk Management Policies

A description of the various risks to which the EDB is exposed to is shown below and the approach adopted by management to control and mitigate those risks.

Financial Risk

The EDB as a public sector entity, is not much exposed to financial risks. The EDB does not use any derivative financial instruments to hedge risk exposures. The EDB is not exposed to significant, currency risk and interest rate risk.

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

NOTES TO THE FINANCIAL STATEMENTS(Continued)

4.9 Risk Management Policies (Continued)

Operational Risk Management

Operational risk, which is inherent in all organisations activities, is the risk of financial loss instability arising from failures in internal controls, operational processes or the system that supports them. It is recognized that such risks can never be eliminated and the costs of controls in minimizing these risks may outweigh the potential benefits. In addition to setting up of the Compliance and Audit Department, EDB has hired the services of BDO for the carrying out the Internal Audit.

Legal Risk

Legal risk is the risk that business activities of the organisation have unintended or unexpected legal consequences. The EDB identifies and manages legal risks through legal advice on all its day to day dealings.

4.10 Taxation

No provision has been made in the financial statements for income tax and value added tax, on the basis that EDB is exempted.

4.11 Related Parties

For the purpose of these financial statements, parties are considered to be related to the EDB if they have the ability, directly or indirectly, to control the EDB or exercise significant influence over the EDB in making financial or operational decisions, or where the EDB is subject to common control or common significant influence. Related parties may be individuals or other entities.

4.12 Presentation of Budget Information

The EDB presents its budget on an accrual basis.

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	30-Jun-19
	MUR
5. TRADE AND OTHER RECEIVABLES	
Trade Debtors	6,620,637
Less: Provision for impairment	(1,547,291)
	<u>5,073,346</u>
Trade Debtors are mainly the amount due by Tenants of Industrial Building at Plaine Verte	
6. OTHER RECEIVABLES	
Deposits	3,597,392
Prepayments	8,592,604
Other Receivables	11,240,555
Car Loan - Receivables	<u>1,044,750</u>
	<u>24,475,301</u>
7. Cash and Cash Equivalents	
Term Deposit	25,000,000
Treasury Certificates	300,000,000
Cash at Bank	224,653,435
Cash in Hand	<u>830,956</u>
	<u>550,484,391</u>

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

8. PROPERTY, PLANT AND EQUIPMENT

	Building	Office Equipment	Plant & Machinery	Furniture, Fixtures & Fittings	Computer Equipment & Hardware	Motor Vehicles	Total
<i>Cost/Valuation</i>	MUR	MUR	MUR	MUR	MUR	MUR	MUR
Balance at 15 January 2018	27,230,000	3,797,093	32,609	31,717,504	24,136,413	19,435,123	106,348,742
Additions		638,367		14,102,372	6,748,081	3,381,000	24,869,820
Disposal		(162,150)		(48,875)	(10,830,423)	(2,950,000)	(13,991,448)
Balance at 30 June 2019	27,230,000	4,273,310	32,609	45,771,001	20,054,071	19,866,123	117,227,114
<i>Accumulated Depreciation</i>							
Balance at 15 January 2018		2,443,943	32,609	21,654,096	18,382,809	10,523,533	53,036,990
Charge for the Period	1,323,681	556,145		2,621,210	5,512,988	2,488,907	12,502,931
Disposal		(126,306)		(8,757)	(10,058,390)	(2,470,833)	(12,664,286)
Balance at 30 June 2019	1,323,681	2,873,782	32,609	24,266,549	13,837,407	10,541,607	52,875,635
<i>Net book value</i>							
At 30 June 2019	25,906,319	1,399,528	-	21,504,452	6,216,664	9,324,516	64,351,479
At 15 January 2018	27,230,000	1,353,150	-	10,063,408	5,753,604	8,911,590	53,311,752

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	30-Jun-19
	MUR
9. INVESTMENT PROPERTY	
Valuation	
At 15 January 2018	32,550,000
Addition	
At 30 June 2019	32,550,000
Depreciation	
At 15 January 2018	-
Charge for the period	1,898,750
At 30 June 2019	1,898,750
Net Book Value	30,651,250
10. INTANGIBLE ASSETS	
10 (a) The right on Leasehold Land	
Valuation	22,350,000
Amortisation	-
At 15 January 2018	-
Charge for the year	1,265,094
At 30 June 2019	1,265,094
Net Book Value	21,084,906
10 (b) Computer Software	
Cost	24,540,684
At 15 January 2018	
Addition	
Disposal	(18,687,913)
At 30 June 2019	5,852,771
Amortisation	
At 15 January 2018	22,997,578
Charge for the year	123,835
Disposal	(17,408,004)
At 30 June 2019	5,713,409
Net Book Value	139,362
Total Intangible Assets	21,224,268

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	30-Jun-19
	MUR
11 (a). Trade Payables	
Trade payables	3,086,121
11 (b) Trade and other payables	
Current	
Accrued expenses	59,204,905
Other payables	21,556,919
	80,761,824
Non Current	
Deposits	131,820
12. EMPLOYEES BENEFIT AND OBLIGATIONS	
Current	
Provision for passage benefits	2,282,844
Provision for Refund of Unutilised Leaves	2,542,084
	4,824,928
Non Current	
Provision for passage benefits	6,021,087
Provision for Refund of Unutilised Leaves	28,252,459
Retirement benefits obligation	74,288,952
	108,562,498

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	As at 30 June 2019
12. Retirement Benefit Obligations	
Amounts recognised in Statement of Financial Position at end of year:	
	MUR
Present value of funded obligations	120,353,572
(Fair value of plan assets)	(46,064,620)
	74,288,952
Amounts recognised in income statement :	
Current service cost	6,901,979
Past service cost	-
(Employee contributions)	(3,346,229)
Fund expenses	278,127
Net Interest cost expense (income)	6,728,681
Actuarial loss/(gain) recognised	10,562,558
Remeasurement	
Liability (gain)/loss	(1,870,214)
Assets (gain)/loss	1,870,214
Total Other Comprehensive Income (OCI) recognised	-
Total	10,562,558
Movement in Asset recognised in balance sheet:	
At start of year	70,748,465
Amount recognised in P&L	10,562,558
(Special Contributions)	
(contributions paid by employer)	(7,022,071)
Amount recognised in OC	-
At end of year	74,288,952

The plan is a defined benefit arrangement for the employees and it is a funded plan. The assets of the funded plan are held independently and administered by The State Insurance Company of Mauritius Ltd

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

12. Retirement Benefit Obligations (Continued)	Year ending 30 June 2019
<i>Reconciliation of the present value of defined benefit obligation</i>	MUR
Present value of obligation at start of Period	109,814,853
Current service cost	6,901,979
Interest cost	10,809,900
(Benefits paid)	(5,302,946)
Liability (gain)/loss	(1,870,214)
Present value of obligation at end of year	120,353,572
<i>Reconciliation of fair value of plan assets</i>	
Fair value of plan assets at start of year	39,066,388
Expected return on plan assets	4,081,219
Employer contributions	7,022,071
Employee Contributions	3,346,229
(Benefits paid + other outgo)	(5,581,073)
Asset gain/(loss)	(1,870,214)
Fair value of plan assets at end of year	46,064,620
<i>Distribution of plan assets at end of year</i>	Jun-19
Government securities and cash	58.7%
Loans	3.4%
Local equities	13.1%
Overseas bonds and equities	24.2%
Property	0.6%
Total	100%
Percentage of Assets at end of period	June 2019 (%)
Assets held in the entity's own financial instruments	-
Property occupied by the entity	-
Other assets used by the entity	-
Components of the amount recognised in NAE Year	2019/2020
Currency	MUR
Asset experience gain/(loss) during the year	(1,870,214)
Liability experience gain/(loss) during the year	1,870,214

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019
12. Retirement Benefit Obligations (Continued)

12 (f) Remeasurement of Retirement Benefit Obligations	MUR
Unrecognised Actuarial Loss as a result of Change from IPSAS 25 to 39 Remeasurements - Change in Actuarial Assumptions:	53,729,583
(1) Discount Rate from 5.5 to 6.75 % based on Government Bond	
(2) Removal of additional prudence margin for life expectancy (2 years)	(18,534,746)
Amount recognised in Statement of Equity as per IPSAS 39	35,194,837

The plan is exposed to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk. The risk relating to death in service benefits is re-insured.

The cost of providing the benefits is determined using the Projected Unit Method. The principal assumptions used for the purpose of the actuarial valuation were as follows:

	Period Ending 30-Jun-19
Discount rate	6.75%
Future salary increases	4.00%
Future pension increases	3.00%
Mortality before retirement	A 6770 Ultimate Tables
Mortality in retirement	PA (90) Tables
Retirement age	As per Second Schedule in the Statutory Bodies Pension Funds Act

The discount rate is determined by reference to market yields on bonds.

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based reasonably on possible changes of the assumptions occurring at the end of the reporting period.

- If the discount rate would be 100 basis points (one percent) higher (lower), the defined benefit obligation would decrease by Rs. 17.1 M (increase by Rs 21.6 M) if all other assumptions were held unchanged.

- If the expected salary growth would increase (decrease) by 1%, the defined benefit obligation would increase by Rs 10.8 M (decrease by Rs 9.2 M) if all assumptions were held unchanged.

- If life expectancy would increase (decrease) by one year, the defined benefit obligation would increase by Rs 3.1 M (decrease by Rs 3.1 M) if all assumptions were held unchanged.

ECONOMIC DEVELOPMENT BOARD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	Period Ended Jun-19 MUR
13. REVENUE	
I. Contribution and Grant	
Government Grant (see 13 (ii) below)	852,556,136
	<u>852,556,136</u>
II Self Generated Income	
Local / International fairs	5,859,459
Rent	4,295,545
	<u>10,155,004</u>
III Other Revenue	
Gain on FOREX	114,474
Interest Income	1,064,680
Other Miscellaneous Income	1,423,126
	<u>2,602,280</u>
13. (i) REVENUE FROM NON-EXCHANGE TRANSACTIONS	
Processing Fees - Storage Permit	805,500
	<u>805,500</u>
Total Revenue	<u>866,118,919</u>
13. (ii) REVENUE FROM NON-EXCHANGE TRANSACTIONS	Jun-19 MUR
Deferred Grant at beginning of the Period	12,797,570
Government Recurrent Grant received	
Recurrent Expenditure	616,739,509
Freight Rebate Scheme for Africa	23,920,997
Credit Guarantee Insurance Subsidy Scheme	2,598,291
Speed to Market	170,992,440
Refund to SMEs for participation on fairs	13,074,937
Capital Grants	21,843,000
Grant Receivable E-licensing	10,589,392
Deferred Grant at end of the Period	(20,000,000)
	<u>852,556,136</u>

ECONOMIC DEVELOPMENT BOARD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

13. REVENUE (Continued)

The EDB received its main source of revenue from its parent ministry to cater for its operational costs for the period. An amount of MUR 24,869,820 was utilised for the acquisition of intangible assets, plant and equipment and improvement to buildings as detailed below:

	Jun-19 MUR
Improvement to buildings	11,528,080
Computers	6,748,081
Furniture and fittings	2,574,292
Motor vehicle	3,381,000
Office equipment	638,367
	<u>24,869,820</u>
	Jun-19 MUR

14. STAFF COSTS

Personal Emoluments

Basic Salary	177,331,262
Salary compensation	2,306,314
Allowances	3,046,558
End of Year Bonus	9,351,702

Other Staff Costs

Travelling and Transport	34,853,093
Overtime	2,816,590
Staff Welfare/Medical Scheme	3,807,058
Pensions (incl. Family Protection Scheme)	13,381,457
Gratuity	22,805,603
Refund of leaves	20,030,142
Performance Bonus	0
Duty Remission	791,000
Mobile phone Allowance	182,554
Passage Benefits	8,477,454

Social Contributions

Contribution to the National Savings Fund	1,258,866
National Pension Fund	1,558,323
Levy	1,260,907

Total Compensation of Employees	<u>303,258,883</u>
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ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	Jun-19
	MUR
15. ADMINISTRATIVE EXPENSES	
Goods and Services	
Cost of Utilities	
Electricity	5,746,063
Telephone	12,037,411
Water Charges	68,073
Fuel and Oil	
Vehicles	1,653,715
Rent	
Rental of Building	39,677,270
Leasehold State Land (Plaine Verte) -inc. interest	1,679,000
Office Expenses	
Postage	71,220
Office Sundries	8,606,431
Maintenance	
Vehicles and Motorcycles	1,185,831
IT & Other Equipment	4,531,876
Buildings	1,400,280
Cleaning of Office Premises	1,625,802
Security Services	547,786
Publications and Stationery	
Printing and Stationery	2,502,524
Books and Periodicals	440,895
Fees	
Fees to Chairman and members of boards and committees	10,544,939
Fees for Training	1,547,060
Loss on Disposal of Assets	1,697,507
	95,563,683

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	Jun-19
	MUR
16. Other Administrative Expenses	
Other Goods and Services	
Uniforms	184,500
Catering	369,971
Professional Fees & Consultancy	22,355,865
International Advertisement	1,361,472
Miscellaneous Expenses/Advertising	4,186,641
Conferences/Seminars/Workshop	24,550,621
Running Costs of e-Licensing Platform	11,566,724
Insurance	1,182,517
Licenses	10,906,018
Sponsorships	2,686,743
Contribution to Fintech Association	18,000,000
	97,351,072
17. PROMOTION EXPENSES	
Investment Promotion Mission	46,964,420
Buyers Sellers Meeting & CPP	4,482,286
Participation - International Trade Fair	58,966,346
Mission Abroad	1,240,952
Overseas Representations	18,573,950
Investment Promotion Tool	3,165,218
	133,393,172

ECONOMIC DEVELOPMENT BOARD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

	Jun-19 MUR
18. Capacity Building	
Product & Enterprise Development	4,519,809
Export Facilitation Workshops	40,000
	4,559,809
19. Refund Schemes	
Freight Rebate Scheme for Africa	21,689,672
Credit Guarantee Insurance Subsidy Scheme	1,812,260
Speed to Market	169,628,395
Refund to SMEs for participation on fairs	15,873,812
	209,004,139

20. Expenditure and Government Grant

Expenditure for the period 15 January 2018 to 30 June 2019 amounted to MUR 859,374,668 (exc. Depreciation and Amortisation MUR 843,584,058) and Revenue for the same period including Government Grant, amounted to MUR 866,118,920. The surplus for the period is of MUR 6,744,252

ECONOMIC DEVELOPMENT BOARD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

21. OPERATING LEASE - Minimum Lease payments

(i) Leases as lessee	30-Jun-19 MUR
Minimum lease payments under operating lease recognized as an expense in the year	41,356,270
No later than 1 year	25,219,649
Later than 1 year and not later than 5 years	116,213,199
Later than five years	205,724,258
	347,157,106

The operating lease relates to:

- (i) The leasehold land, on which the industrial buildings have been erected. The period of lease is 60 years with the Government of Mauritius.
- (ii) Part of its office premises at One Cathedral Square and Sterling House ,Port Louis and SICOM Tower, Ebene Cybercity.

All lease agreements are non cancellable which have varying terms, escalation clauses and renewal rights.

(ii) Leases as lessor

Non cancellable operating lease receivables	
No later than 1 year	4,799,045
Later than 1 year and not later than 5 years	22,253,617
Later than five years	36,202,564
	63,255,226

The operating lease relate to the investment property at Plaines Vertes and Office Space at St James Court Port Louis, owned by the EDB with an option to extend for a further 3 years. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

Events After Reporting Dates

There was no events after reporting date which may affect the financial position of the EDB.

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 15 JANUARY 2018 TO 30 JUNE 2019

22. Related party transactions

For the period 15 January 2018 to 30 June 2019, the EDB had the transactions with related parties:

Related parties	Nature of relationship	Related party transactions	Value of transactions for the Period Ended 30 June 2019 MUR	Debit/ (credit) As at 30 June 2019 MUR	Remarks
Prime Minister's Office	Related party	Government grants	664,165,178	(664,165,178)	As from 15 January 2018
Ministry of Finance	Related party	Government grants	180,936,836	(180,936,836)	As at 30 June 2018
Directors Remuneration and benefits - (Non - Executive)	Related party	Directors Fees	9,691,645	9,691,645	
Eelosia Group	Related party	Purchases of Services & Refund Schemes	7,023,661	7,023,661	
Currimjee & Jeewanjee Co Ltd (Group)	Related party	Purchases of Goods & Services & Refund Schemes	4,112,758	4,112,758	
Key management personnel	Related party	Salaries and short-term benefits	65,538,678	65,538,678	

The above transactions were carried out at arm's length on normal commercial terms and conditions and is reported on Cash Basis

ECONOMIC DEVELOPMENT BOARD
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23. CAR LOANS

		Total MUR	Capital MUR	Interest MUR
Opening at 15 January 2018		1,897,076	1,668,845	228,231
Of which:	Short term	1,100,173	983,428	116,745
	Long term	796,903	685,417	111,486
New loan during period			3,180,000	237,730
Repaid during period			1,494,095	145,770
Closing at 30 June 2019		1,897,076	3,354,750	320,191
Of which:	Short term		1,044,750	94,841
	Long term		2,310,000	225,350

EDB
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