

AFRICA RISK CONSULTING

Mauritius Monthly Briefing December 2023

Mauritius Summary 15 December 2023

Parliament debates the Financial Crimes Commission Bill on 13 December, which has faced stiff criticism from opposition and other stakeholders. Finance, economic planning and development minister Renganaden Padayachy alongside other cabinet members on 1 December witnesses the signing of four framework agreements between Mauritius and the Agence Française de Développement (AFD) (French development agency). Prime minister Pravind Jugnauth (2017-present) submits a motion to the national assembly on 1 December signalling his administration's intention to move forward with the adoption of the Electoral Boundaries Commission (EBC) report from early 2020.

Financial Crimes Commission bill sparks debate

The **Financial Crimes Commission Bill** was debated in parliament on 13 December after facing stiff criticism from opposition and other stakeholders. The bill, which has not been passed, aims to establish a **Financial Crimes Commission (FCC)** that would be the apex agency in **Mauritius** to detect, investigate and prosecute financial crimes including corruption, fraud and money laundering.¹ However, opposition parliamentarians, stakeholders and even lawyers have expressed concern that the bill could infringe on the constitutional powers of the **Director of Public Prosecutions (DPP)** by granting constitutional powers to the FCC director who would be a politically appointed nominee.² The bill would allow the FCC director to carry out investigations, arrests and even prosecutions without the DPP's involvement.³ Prime minister **Pravind Jugnauth** (2017-present), while presenting the bill, said that the DPP's constitutional powers are not affected "at all", despite the DPP itself expressing concern.⁴ Opposition leader **Xavier-Luc Duval** responded to Jugnauth during parliament, stating that the bill would impact Mauritius' democratic standards:

"Our strong and unwavering attachment to democracy, the rule of law, the separation of powers and above all the independence of institutions requires us to oppose all political and legal means to this bill..."⁵

Transparency Mauritius (TM), affiliated to **Transparency International**, released a statement on 12 December arguing the same. TM welcomed the government's "willingness" to consolidate laws concerning corruption-related offences but said the bill could result in erosion of the DPP's power in favour of the FCC director.⁶ TM also condemned the notion that the FCC director would be appointed by the president, on advice of the prime ministers, and only in consultation with the leader of the opposition, recommending that the **Legal and Judicial Service Commission** make the appointment.

The **Mauritius Bar Association**, also concerned about the bill, requested a meeting with attorney general **Maneesh Gobin**. The meeting, although initially requested for 11 December ahead of the parliamentary debate, was scheduled for 14 December but subsequently postponed for unknown reasons.⁷ The bar association had expressed similar concerns to that of TM and the opposition.

¹ National Assembly, Dec 2023

² BNN, 8 Dec 2023

³ Le Mauricien, 14 Dec 2023

⁴ Le Mauricien, 13 Dec 2023

⁵ Le Mauricien, 13 Dec 2023

⁶ Le Matinal, 12 Dec 2023

⁷ Le Mauricien, 12 Dec 2023

Mauritius, which was greylisted by the **Financial Action Task Force (FATF)** in 2020 before being removed in 2021 and blacklisted by the **European Union** in 2020 before being removed in 2022, has long struggled to find the ideal structural formula to address financial crimes. The **Economic Crime Office** was dissolved in 2002 but the administration at the time created the **Independent Commission Against Corruption (ICAC)**, which was unsuccessful in tackling of financial crimes, reportedly over its lack of independence and slow pace of taking cases to court, with many remaining unresolved.⁸ The FCC would bring the ICAC, **Asset Recovery Investigation Division (ARID)** and the **Integrity Reporting Services Agency (IRSA)** under one branch, however, the concerns mentioned above would need to be addressed to allow the FCC to be considered legitimate and independent. The bill is set for a second and third review on 15 December, with Jugnauth hoping to pass the bill by Christmas.

France signs loan agreement for Mauritius' water sector amid climate change concerns

Finance, economic planning and development minister **Renganaden Padayachy** alongside other cabinet members witnessed the signing on 1 December of four framework agreements between Mauritius and the **Agence Française de Développement (AFD)** (French development agency). The agreements relate to a €200m loan (\$219.25m) and a €1.52m (\$1.66m) grant to help overhaul Mauritius' water, specifically improving access to drinking water and sanitation in line with the **Sustainable Development Goals (SDGs)**.⁹ A key aspect of this, according to Padayachy, is better integration of climate change challenges:

*"Water resources management is a challenge that the Republic of Mauritius, like other small island states highly exposed to climate change, must take up."*¹⁰

Mauritius is highly susceptible to the impacts of climate change, as seen in December 2022 when drought caused the government to implement water rationing after reservoirs fell to 35% ahead of the summer rains.¹¹ Environment minister **Kavydass Ramano** noted in January that on the **World Risk Report 2021**, Mauritius ranked as the 51st most exposed country to natural hazard and that by 2025, Mauritius would become a water stressed country.¹² Ramano attended **COP28** between 30 November and 12 December as part of the Mauritian delegation, participating in a panel discussion titled 'Small Island Development States: A Just and Equitable Energy Transition Towards A Climate Resilient Future', confirming the government's goal of producing 60% of its power from renewable energy sources by 2060.¹³

In December 2022, pan-African research network **Afrobarometer** found that 86% of citizens aware of climate change believe it is making life in Mauritius worse, with 65% wanting the government to take immediate action to limit climate change. Climate change also presents a threat to Mauritius' most important economic sector – tourism – and there will be pressure on the government to ensure that more action is taken to preserve this sector.

Revision of electoral district boundaries debate to go ahead

Prime minister Jugnauth submitted a motion on 1 December to the **National Assembly** signalling his administration's intention to move forward with the adoption of the **Electoral Boundaries Commission (EBC)** report from early 2020. The EBC submits a report every ten years to fulfil a constitutional requirement aimed at reviewing and revising electoral district boundaries every ten years to ensure a fair balance of voter numbers across districts.¹⁴

⁸ Mauritius Times, 8 Dec 2023

⁹ Le Matinal, 4 Dec 2023

¹⁰ Bloomberg, 2 Dec 2023

¹¹ Bloomberg, 2 Dec 2023

¹² United Nations Environment Programme, 24 Jan 2023

¹³ Le Matinal, 11 Dec 2023

¹⁴ Defi Media, 5 Dec 2023

The EBC, since its inception, submitted a report in 1976, 1986, 1999, 2009. Parliament is not required to accept the suggestions, only debate them; as such, only the suggestions from 1986 and 1999 were approved.¹⁵

The 2020 report has made several significant suggestions, namely the annexation of the **Chagos Archipelago** to constituency number one – **GRNO/Port Louis West**. Other suggestions include:

- Transferring the region around **Central Barracks** to constituency number two (**Port Louis South/Port Louis Central**);
- Moving parts of constituency two to three (**Port Louis Maritime/Port Louis East**);
- Annexing parts of constituency number four **Port Louis North/Montagne-Longue** to number three;
- Potentially moving areas including **Palma, Bassin** and **Résidence Kennedy** from constituency four to 18 (**Belle-Rose/Quatre-Bornes**);
- Incorporating **St Patrick** into constituency number 19 (**Stanley/Rose-Hill**).¹⁶

The last two suggestions would impact 16,242 and 1,669 voters respectively, indicating the impact such suggestions will have on elections. If passed, the suggestions will be implemented before the general elections in 2024. However, the opposition has criticised Jugnauth's late submission of the EBC report to be debated, highlighting that traditionally these reports are generally issued right after a general election to be debated and allow the **Electoral Commission** enough time to implement the changes, accusing Jugnauth of leaving the debate this late in a bid to disrupt the upcoming 2024 general election.¹⁷ In the upcoming general election, 62 members of the national assembly will be elected in 20 seat constituencies.

¹⁵ Defi Media, 5 Dec 2023

¹⁶ Defi Media, 5 Dec 2023

¹⁷ Le Mauricien, 14 Dec 2023

Planner

30 Nov 2024 **(Mauritius)** General election

2025 **(Mauritius)** Municipal elections

Chronology

14 Dec 2023 **Port Louis (Mauritius)** *Defi Media*. President **Prithvirajsing Roopun** leaves for a three day working visit to **Madagascar**;

14 Dec 2023 **Port Louis (Mauritius)** *Defi Media*. **Bank of Mauritius (BoM)** reports that gold reserves increased from Rs 30.85 billion (\$701.02m) in November 2022 to Rs 36.15 billion (\$821.45m) in November 2023;

12 Dec 2023 **Port Louis (Mauritius)** *Le Matinal*. Prime minister **Pravind Jugnauth** inaugurates the **Port Louis Cruise Terminal** highlighting that it will help bolster the cruise business segment of the tourism industry;

12 Dec 2023 **Port Louis (Mauritius)** *Le Matinal*. **Anti-Drug and Smuggling Unit** arrests **Preeya Dassaye**, a pharmacist, on charges of drug trafficking;

9 Dec 2023 **Port Louis (Mauritius)** *Le Matinal*. Commerce ministry issues a warning against traders who are creating an artificial shortage of white rice which drives the price up;

8 Dec 2023 **Port Louis (Mauritius)** *The Point*. Mauritius and **Gambia** sign a cooperation agreement in the information and communication technologies (ICT) sector;

7 Dec 2023 **Port Louis (Mauritius)** *Le Matinal*. Deputy prime minister, housing and tourism minister **Louis Steven Obeegadoo** opens the 6th **National Security Adviser (NSA)** meeting of the **Colombo Security Conclave** which comprises **India, Sri Lanka** and the **Maldives** as member states and Mauritius and the **Seychelles** as observer countries;

2 Dec 2023 **Port Louis (Mauritius)** *Le Matinal*. Labour minister **Soodesh Calichurn** announces that the minimum salary will increase from Rs 15,000 (\$340.85) to Rs 17,000 (\$386,30) from 1 January 2024;

1 Dec 2023 **Port Louis (Mauritius)** *Le Mauricien*. **Mauritius Chamber of Commerce (MCC)** and **India's PHD Chamber of Commerce and Industry (PHDCCI)** sign a memorandum of understanding to increase cooperation;

30 Nov 2023 **Port Louis (Mauritius)** *Le Mauricien*. Three armed men rob two **French** cruise ship employees while climbing **Le Pouce** before community members arrest the suspects;

30 Nov 2023 **Port Louis (Mauritius)** *Le Matinal*. National assembly passes the **Trafficking in Persons (Amendment) Bill**;

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