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ANNUAL REPORT 2021

EDB
Annual Report
2020 - 2021

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CHAIRMAN'S MESSAGE

2020/21 concluded almost similarly as it had started. Rising number of cases, restrictions on movements and lockdowns remained defining features of a trying year, one which was marked again by uncertainty, notably because of the appearance and spread of the different variants of Covid-19.

The story of Mauritius is not markedly different from those of other countries. Despite the best efforts of Government and citizens, a second lockdown had to be imposed in March as the virus appeared again in Mauritius.

The imposition of the lockdown and the closure of borders led to a second consecutive contraction in GDP of -6.2% for financial year 2020/21 following the decline of -7.0% for financial year 2019/20.

The contraction in 2020/21 was mitigated by a number of factors however, including a better management of the lockdown with rapid distribution of Work Access Permits ensuring nearnormal levels of economic activity and the implementation of several measures by the Government to sustain jobs and businesses.

The situation warranted a deeper reflection nonetheless, and it was evident that Mauritius needed to take necessary measures and policies to become Covid ready.

Acceleration of the vaccination campaign was identified as a priority as frequent lockdowns and restrictions, and a prolonged closure of borders would never be sustainable. This led to a successful vaccination campaign where priority was first given to economic operators to vaccinate their staff and ensure permanence of activity.

The protection of the health of the population through vaccination was a prerequisite for the reopening of borders, providing increased visibility and hope for operators in the tourism and hospitality sectors.

Whilst measures were put in place to ensure that our traditional sectors remained resilient, new products and services have been developed as alternatives to the traditional vehicles of marketing and promotion, in particular in view of attracting foreign talents, skills and investment into Mauritius. A major instrument has been the Premium Visa, introduced in November 2020 as an innovative way to encourage foreign nationals to relocate, work remotely and at the same time experience the quality of life in Mauritius, prior to taking the decision to reside in the country for the long-term.

The Budget 2021/22 also paved the way towards the creation of new pillars of growth. Major incentives were announced to attract new companies in the pharmaceuticals and biotechnology sectors, in particular with regards to fiscality. In addition, to reduce our dependency on imports of fuel and increase production of renewable energy, a series of measures were announced such as the national biomass framework, net metering and electrification of the vehicles fleet.

Investment attraction also hinges on developing a conducive business environment. A streamlining of incentives under the investment certificate as well as the premium investor certificate will make Mauritius more competitive for businesses engaged in innovative, emerging and pioneer industries.

This responsibility has been conferred to the EDB in the Budget 2021/22 and will be operationalised through the Business Support Cell.

The EDB has also been given the mandate of attracting 50,000 retirees in Mauritius in a bid to increase our domestic consumption base and accelerate the inception of the silver economy which will have ripple effects on several other sectors.

On the trade aspect, there is an enormous opportunity for Mauritian exporters to tap into new markets with the coming into operation of the CECPA with India, the FTA with China and the AfCFTA. To ensure that businesses have all the support, the EDB has been tasked with the setting up of a Trade Development Intelligence Cell, the implementation of an Export Development Programme and the launch of an e-directory for exports to boost visibility and improve market access for local products.

Finally, to strengthen public-private sector dialogues and ensure dynamic policy making, EDB will set up economic commissions with the aim of addressing challenges and tapping into opportunities proactively.

The policies put in place are already seeing positive results. Confidence amongst business operators is increasing. Exports in the first half of the year are back at 2019 levels for the same period, and the number of investment projects in the pipeline is rising. Public investment is also expected to pick up drastically following the announcements in the budget with regards to major projects such as the construction of social housing, drains and other road infrastructure.

This improvement in the components of growth allows us to foretell a positive GDP growth rate for 2021 after a dismal 2019 which would both improve government revenue and reduce our debt ratio.

The operationalisation of these measures form part of a broader vision that the EDB has, as enunciated in the EDB Strategic Plan 2021-2024 approved by the Board in May this year, which is to “contribute towards shaping the future of Mauritius by designing and delivering better, stronger and more sustained economic growth through higher levels of investment and exports”.

Clear targets have been set in terms of investment and exports of goods and services, under different scenarios which are conditional on the magnitude and swiftness of the recovery expected. Actions by sector have been identified, and their realisation will certainly result in the targets set being met. Of course, a major threat lingers - Covid-19. Therefore, cautious optimism had been the guiding principle in the crafting of this plan.

I would like to conclude by thanking all Board Directors for their invaluable contributions and support throughout the year as well as commend management and the entire team at the EDB for their hard work and efforts in a particularly turbulent and challenging year.

Hemraj Ramnial, CSK
Chairman



CEO's MESSAGE

Dear Valued Stakeholders,

The year under review has been characterised yet again by the need to grapple with the COVID-19 pandemic forcing us to adapt to new ways of living and doing business.

Global GDP contracted by 3.2 % in 2020 while in Sub-Saharan Africa, the decline was of 1.9%, after 25 years of continuous expansion.

Prevailing uncertainties and restrictions led to a decline of 35% in global foreign direct investment flows. Travel and tourism were affected as well, with the restrictions on travel further exacerbating the economic impact on countries which are heavily dependent on tourism and other related activities.

The Mauritian economy, an open economy, highly dependent on tourism and exports, felt the consequences as well. After four decades of uninterrupted growth, GDP contracted by 14.9% in 2020. For financial year 2020/21, GDP fell by 6.2%, after the contraction of 7.0% in 2019/20.

According to estimates by the EDB, in fact, it was found that the lockdown cost us around 0.6 percentage points of GDP per week.

Despite the global headwinds, there have been some silver linings. When most of the economic sectors have experienced a contraction in output during 2020, a few sectors have remained resilient in the face of adversity. For example, financial services and ICT experienced growth rates in output. Exports of goods are already picking up.

The situation necessitated a readaptation of our strategy, and in this very particular and trying environment, the EDB prepared its Strategic Plan 2021-2024, which was drafted with the objective of setting out the priorities and targets that aim to address the pandemic's impact holistically and establish the foundations for the country's economic and social renewal.

The Strategic Plan 2021-2024 also focuses on a series of actions which aim at revisiting set strategies which are rapidly becoming outdated in today's dynamic economic landscape and adapt our activities to the exigencies of this new economic order.

For instance, in the absence of flights bringing us closer to potential investors and buyers, and amidst the restrictions imposed with regards to large gatherings, the EDB has made the most of what technology offers us today. A series of webinars and other virtual events have been organised, garnering significant interest from operators in the financial services sector, real estate, and hospitality and from manufacturers amongst others.

Through our actions and concerted efforts therefore, we have been able to maintain high levels of visibility for Mauritius as a business destination of choice.

During the year under review, the strategy adopted by EDB also hinged on accelerating investment and growth across various sectors. Private sector investment for 2020/21 stood at MUR 64 billion, triggered by the implementation of seven (7) smart city projects. Total FDI for 2020/21 reached MUR 12.2 billion.

Looking ahead, economic activity is set to gather further steam in 2022 with an anticipated rebound in private sector investment levels, driven, in particular, by a noteworthy upturn in construction activities and upscale development projects.

This will be further supported by the reforms undertaken to improve the ease of doing business. The beneficial impact of past endeavours is already being felt. For instance, around 18,500 users of the business community and citizens have submitted some 67,000 applications on the National Electronic Licensing System. 37% of the utilization is happening outside normal office hours, from various locations, which is a testament of the ongoing modernisation of government services to elaborate more convenient and efficient ways of doing business, facilitating interactions between government agencies and economic stakeholders at Any time and from Anywhere.

The NELS has also been an essential element in sustaining the continuity of government services by offering the capability to Work from Home for some 1,000 government officers using the online system to process application for permits and licenses.

During the year, EDB also embarked fully on a road to maximise the potential from the trade agreements which came into operation in 2021, namely the Mauritius-China FTA, the African Continental Free Trade Agreement, the UK-ESA Economic Partnership Agreement, and the Comprehensive Economic Cooperation and Partnership Agreement (CECPA) with India. These agreements, combined with our existing ones, provide Mauritian exporters preferential market access to 70% of the world population. Our marketing actions have already started bearing fruits with high level discussions having been held for exports of sugar, textile, wine, and spirits amongst others into these new markets, and EDB is participating actively on several fora to remove barriers to entry.

Major events included a two-day workshop in March with regard to the Mauritius- China FTA and the Mauritius-India CECPA which saw the participation of H.E. S. Jaishankar, External Affairs Minister of India.

Re-exports were buoyant as well. Our freeport sector saw the addition of a major global player during the year which will contribute to further position Mauritius as a regional distribution centre. We have also been crowned by the fDi Intelligence magazine as one of the most attractive zones in terms of infrastructure and incentives with Mauritius being ranked 9th out of 61 free zones globally. Our bunkering segment has maintained its upward trajectory with a year-on-year growth of 4.5%.

The EDB also fully participated in implementing the strategy for the financial services sector which relates, first, to enhance the status of our financial centre as a jurisdiction of highest global standards and, second, to improve and deepen the service offerings of our financial centre and be compliant on AML/CFT matters.

Our objective is to strengthen Mauritius as a robust and trusted International Financial Centre for cross border investment between Asia and Africa by acting as a catalyst to drive sustainable and impactful investments on the African continent.

The report from Capital Economics, commissioned by the EDB, gives credence to the pioneering role of Mauritius as a key investment jurisdiction into Africa generating significant cross border investment, job creation and tax revenues for the continent. Our value as an IFC for Africa is compelling for we are already playing an important role in putting Africa on track to fulfil its economic potential.

Over the year, EDB has also been instrumental in the conceptualization and implementation of the premium visa as a viable alternative to short term tourism in a period where borders have remained closed. The long-stay premium travel visa allows digital nomads and other individuals to work and live in Mauritius for a year. 510 premium visas had been issued by the end of the financial year. We have also significantly improved the marketing of Mauritius as a location of choice for foreigners to retire in Mauritius and we are being recognized today as being amongst the favourite destinations for retirees, notably by Le Figaro.

Also, conscious that the jobs and industries of the future in Mauritius will be defined by the talents and skills we attract today, the EDB has, during the year, worked closely with the Government to open our country further to attract foreign talents, skills, and knowhow. A series of amendments have been advocated by the EDB to make it easier for investors and professionals to move to Mauritius combining the work, live and play concept.

To conclude, I wish to thank our parent ministry, the Board, and all our staff for the unflinching support during these challenging periods. Despite the uncertainty which still reigns, EDB remains ever more committed in this transformative journey in intensifying further its efforts towards the road to recovery, robust growth, and shared prosperity for our nation.

Ken Poonoosamy
Chief Executive Officer



TRADE & INVESTMENT OUTLOOK

GLOBAL CONTEXT

2020/2021 were marked by severe disruptions worldwide impacting public health, employment, economic performance, and daily livelihoods. Even though vaccination rollout started in early 2021, with a total of 9.1 billion doses already administered as of 31st Dec 2021, the world labour market has been predominantly affected by the pandemic, with a sudden and sharp hike in unemployment. The ILO World Employment and Social Outlook Trends 2021 Report in fact flagged a sharp deterioration in employment and national income which have aggravated existing inequalities, with an estimated loss of 8.8% of total working hours in 2020.

Amid improving recovery momentum, access to vaccination and policy support have been splitting global recovery with widening gap between advanced economies and emerging market and developing economies. With a global growth rate of 6.1% in 2021 (IMF WEO, April 2022), prospects for emerging market and developing economies have been reviewed downwards for 2022 to 3.6%.

As of 31st Dec 2021, 49% of the global population had been fully vaccinated. However, progress has been uneven with most of the jobs having been administered in developed countries. International Rescue Committee warned that 94% of the people in low-income countries remained still unvaccinated as at Dec 2021.

WORLD GDP GROWTH

Amidst the constant resurgences and different variants of the virus, the global economy grew by 6.1% in 2021 and is projected to grow 3.6% in 2022, reaching an important milestone by surpassing the pre-pandemic real GDP peak attained in the fourth quarter of 2019.

	Projections				
	2019	2020	2021	2022	2023
World Output	2.8	-3.2	6.1	3.6	3.6
Advanced Economies	1.6	-4.6	5.2	3.3	2.4
United States	2.2	-3.5	5.7	3.7	2.3
Euro Area	1.3	-6.5	5.3	2.8	2.3
Emerging Market and Developing Economies	3.7	-2.1	6.8	3.8	4.4
Emerging and Developing Asia	5.4	-0.9	7.3	5.4	5.6
Emerging and Developing Europe	2.5	-2.0	6.7	-2.9	1.3
Latin America and the Caribbean	0.1	-7.0	6.8	2.5	2.5
Middle East and Central Asia	1.4	-2.6	5.7	4.6	3.7
Sub-Saharan Africa	3.2	-1.8	3.4	3.8	4.0

Table 1: World GDP Growth (2019 - 2023) Source: IMF, WEO Update April 2022

Global growth was expected to be sustained by recoveries that are more significant in Emerging and Developing Asia, driven by China and India. The United States was expected to have a high growth rate as well. Growth in Sub-Saharan Africa was expected to be more tepid and remain in line with pre-Covid levels.

INTERNATIONAL TRADE

The value of global trade reached a record level of USD 28.5 trillion in 2021 which is an increase of 25% on 2020 and 13% higher compared to 2019, before the COVID-19 pandemic struck (UNCTAD, Feb 2022). The positive trend for international trade in 2021 was largely the result of increases in commodity prices, subsiding pandemic restrictions and a strong recovery in demand due to economic stimulus packages. The UNCTAD report indicates that trade growth will slow during the first quarter of 2022 and that the trade growth in 2022 is likely to be lower than expected, given the macroeconomic trends. Uneven economic recovery, enduring container shortages and increasing freight rates, government interventions and policies affecting international trade, macroeconomic instability and changes in consumer spending represent significant downside risks.

INTERNATIONAL TRAVEL AND TOURISM

With travel restrictions being highly prevalent across several countries around the globe, an unprecedented drop of 73% of tourists was recorded in 2020. International tourism and related sectors suffered an estimated loss of USD 2.4 trillion in 2020, contributing to a loss of more than USD 4 trillion to the global GDP for the years 2020 and 2021 (UNCTAD).

Global tourism experienced a 4% upturn in 2021, compared to 2020 (415 million versus 400 million). However, international tourist arrivals (overnight visitors) were still 72% below the pre-pandemic year of 2019 (UNWTO). The pace of recovery remains slow and uneven across world regions due to varying degrees of mobility restrictions, vaccination rates and traveller confidence. The economic contribution of tourism in 2021 (measured in tourism direct gross domestic product) is estimated at USD1.9 trillion, above the USD 1.6 trillion in 2020.

FOREIGN DIRECT INVESTMENT

FDI flows dropped globally by 35% in 2020 to USD 1 trillion (UNCTAD World Investment Report 2021), with the fall heavily skewed towards developed economies which registered a drop of 58% in FDI while FDI in developing economies fell by 8%.

Global FDI flows are expected to recover some lost ground with an increase of 10%-15% in 2021. This would nonetheless remain some 25% below the 2019 levels. Current forecasts show a further increase in 2022 which, at the upper bound of the projections, could bring FDI back to the 2019 level of USD 1.5 trillion. The relatively modest recovery in global FDI projected for 2021 reflects lingering uncertainties about access to vaccines, the emergence of virus mutations and delays in the reopening of economic sectors.

LOCAL CONTEXT

Mauritius has not been spared by the pandemic with the economy contracting by 14.9% in 2020 compared to a growth rate of 3% in 2019. International projections for the country remain optimistic, with a strong recovery anticipated in the medium term. The African Economic Outlook, issued in March 2021, projects GDP growth to stand at an average of 7.1% for the next two years while the IMF World Economic Outlook issue in April 2022 estimates a growth rate of 6.1% for 2022.

Gross Domestic Product (GDP) at market prices (% growth)

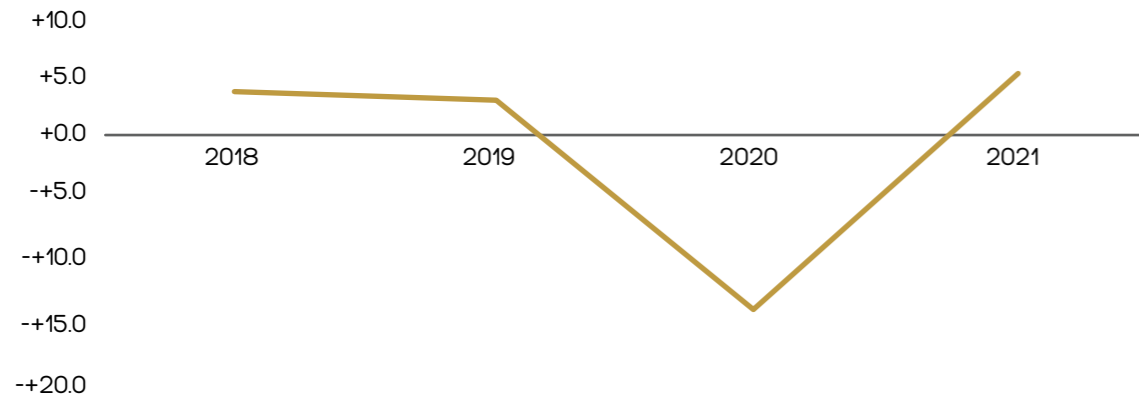


Figure 1: Gross Domestic Product at market prices (2018 - 2021)

With recent trade agreements signed and budgetary measures announced, GDP at market prices grew by 4.0% according to Statistics Mauritius.

INVESTMENT

Gross Fixed Capital Formation (GFCF) grew by 22% in 2021 compared to a contraction of 26.2% in 2020 to reach around MUR 93 billion.

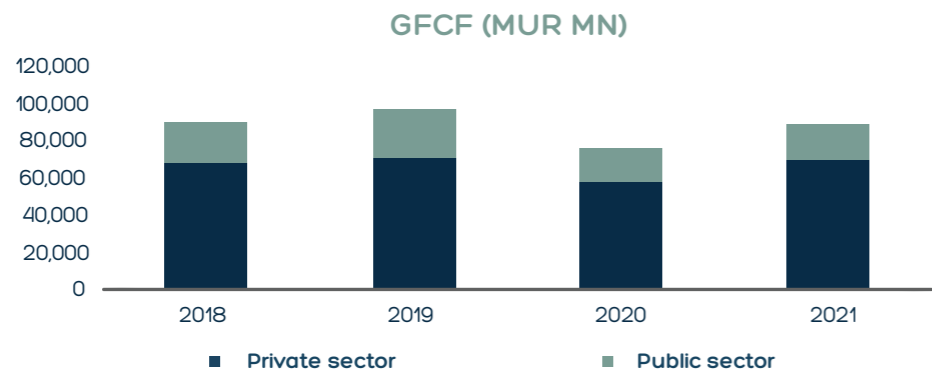


Figure 2: Gross Fixed Capital Formation (GFCF) (2018 - 2021) Source: Statistics Mauritius

Investment as a percentage of GDP at market prices was at 17.9% for the year 2020, reached 20% in 2021.

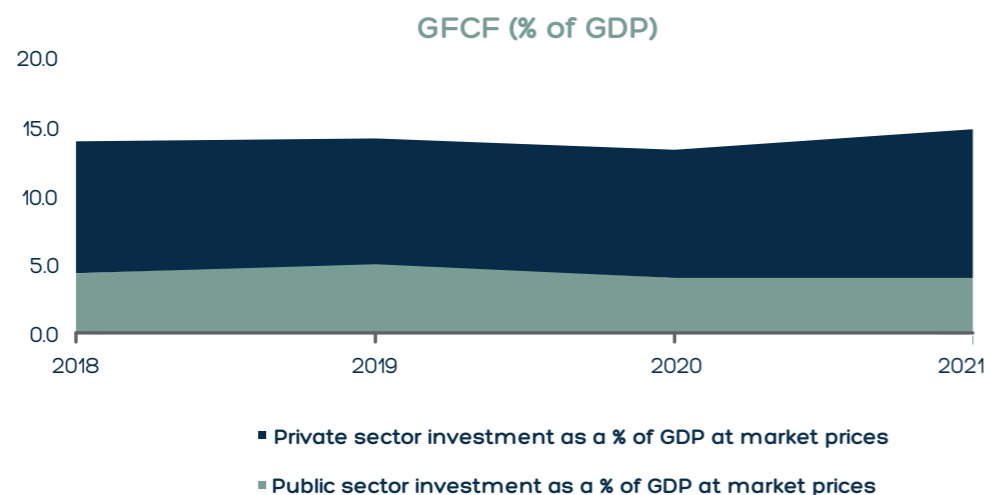


Figure 3: Gross Fixed Capital Formation (GFCF) as a % of GDP (2019 - 2021)

After a contraction of 26.2% in 2020, following delays in public and private sector projects, GFCF picked up in both the public and private sector for 2021.

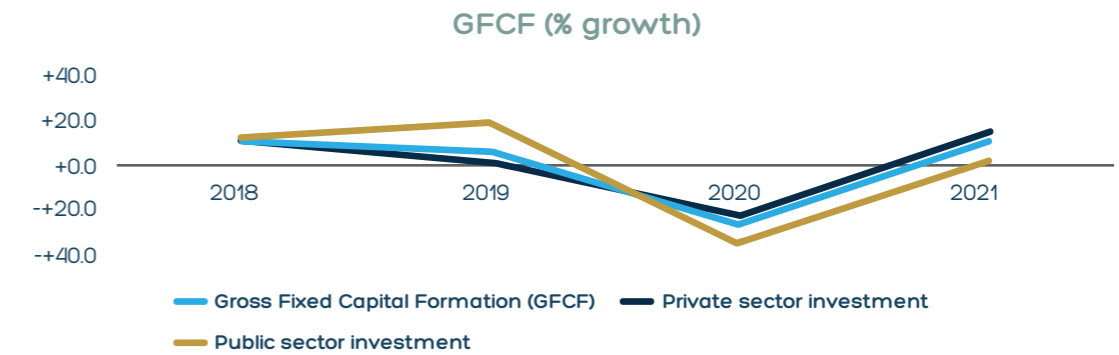


Figure 4: Gross Fixed Capital Formation (GFCF) % growth (2018 - 2021)

FDI inflows were severely impacted by global conditions, the closure of borders and the lockdowns. FDI for 2020 fell by 36.3% compared to 2019. Real estate activities attracted the largest amount of FDI at MUR 8.5 billion, followed by manufacturing with MUR 1.6 billion.

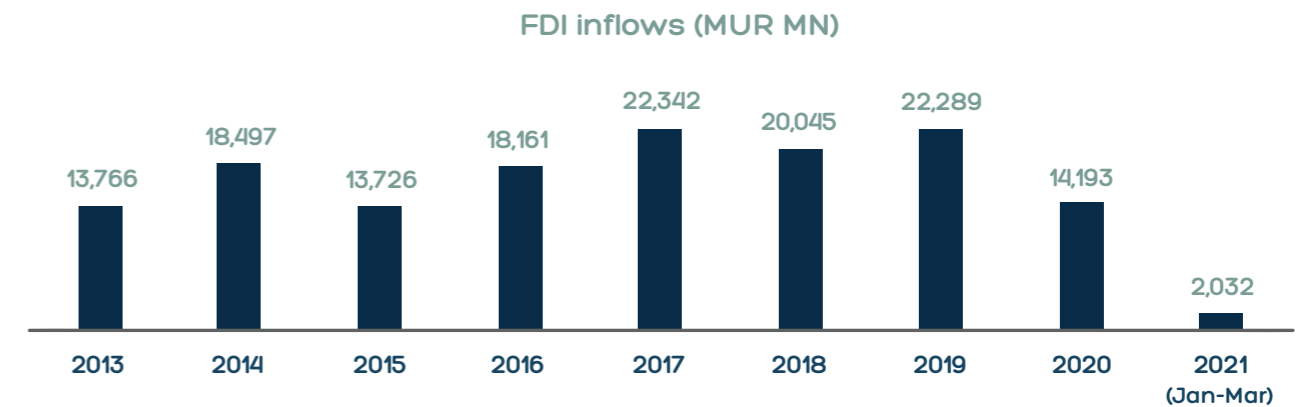


Figure 5: Foreign Direct Investment inflows for the period 2013-Q12021 (MUR million)

In 2020, MUR 4.1 billion of inflows were from France and MUR 1.5 billion were from South Africa, which were our main markets.

FDI (MUR Million)

Region / Economy	2017	2018	2019	2020
Total world	22,342	20,045	22,289	14,193
Developed Countries	15,553	12,367	13,211	8,268
Europe	15,382	12,149	12,934	7,699
North America	171	218	277	569
Developing Economies	6,789	7,678	9,016	3,425
Africa	2,766	3,532	5,616	1,970
Latin America and the Caribbean	511	266	276	78
Aisia and Oceania	3,512	3,920	3,124	1,377
Unspecified	-	-	62	2,500

Table 2: FDI inflows by Source Country from 2017-2020 (in MUR million)

EXPORTS

Prior to the COVID pandemic, total exports were in a decline while total imports were rising. In 2021, total export was valued at MUR 82,105 million, representing an increase of 16.9% over the 2020 figure of MUR 70,223 million whereas total imports, for the year 2021 amounted to MUR 215,186 million, representing an increase of 29.8%, compared to MUR 165,722 million in 2020. The trade deficit for the year 2021 worked out to MUR 133,081 million, around 39.4% higher than the deficit of MUR 95,499 million for the year 2020.

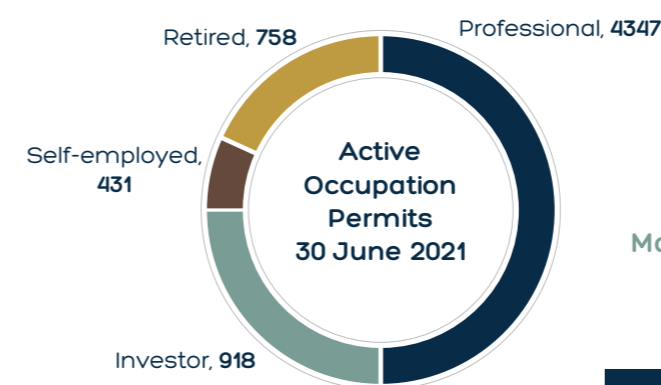
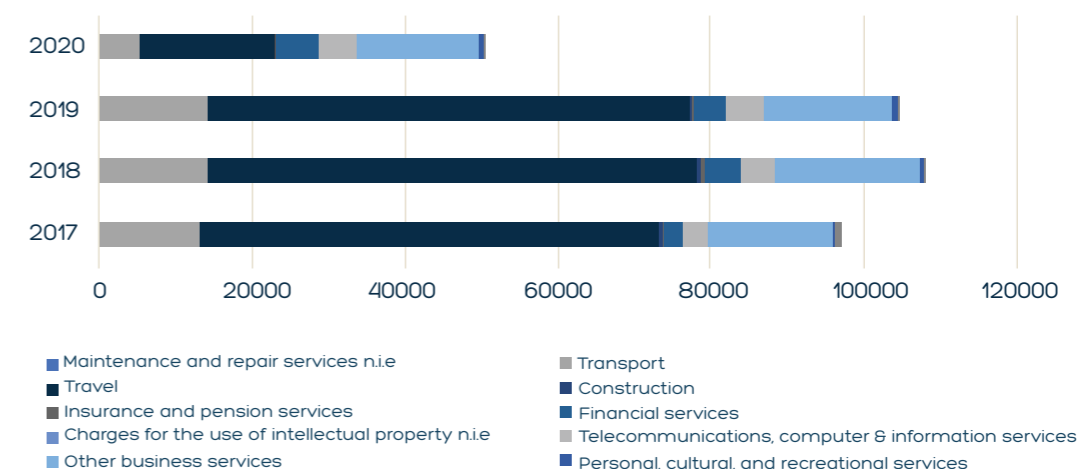
Export (MUR Million)

	2017	2018	2019	2020	2021
Exports of goods (F.O.B)	71662	67,266	66,351	60,528	69,993
Domestic Exports	53,142	50,631	52,020	47,921	52,236
Re-exports	18,520	16,635	14,331	12,607	17,757
Ship's Stores and Bunkers	9,018	13,073	12,448	9,796	12,112
A. Total Exports (F.O.B)	80,680	80,339	78,799	70,324	82,105
of which Export Oriented Enterprises	43,027	43,311	42,319	37,385	42,743
B. Total Imports (C.I.F)	180,867	192,438	198,639	166,268	215,186
of which Export Oriented Enterprises	27,094	25,929	24,645	19,793	25,726
Total Value of Trade (A+B)	261,547	272,777	277,438	236,592	297,291
Balance of Visible Trade (A-B)	-100,187	-112,099	-119,840	-95,944	-133,081

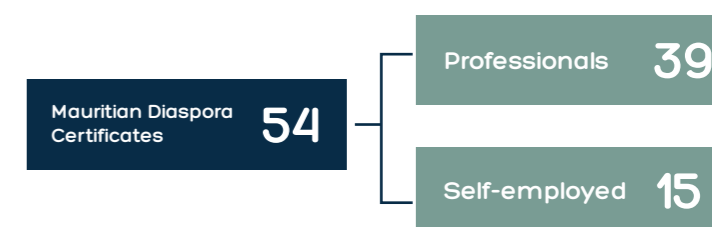
South Africa remains the number 1 exporting country for Mauritius in 2021 with MUR 9,684 million followed by United Kingdom (MUR 6,434 million) and United States of America (MUR 5,871 million). However, it must be noted that United Arab Emirates market registered an increase of 340% in our exports followed by Hong Kong (118% increase), Ghana (81% increase) and Reunion Island (81% increase).

Total exports of services declined to MUR 50,264 million in 2020 from MUR 104,652 million in 2019. Nevertheless, travel remains the sector with the highest value of exports of services with MUR 17,664 million in 2020.

Exports of services (Rs MN)



Mauritian Diaspora Scheme (July 20 - June 21)



Period of July 2020 to June 2021

No. of PDS project approved : 10
 No. of Smart city projects approved: 3
 No. of IHS project approved: 2
 No. of Projects approved under National Regeneration Programme (NRP) : 6

Authorisations issued for acquisition of residential property:
 286 (Value : MUR 10.3 billion)
 Authorisations issued for acquisition of property for business purposes:
 25 (Value : MUR 1.25 billion)

FDI : MUR 7.5 billion
 Private Sector Investment:
 MUR 36 billion

	No. of beneficiaries	Amount (Rs)
Trade promotion and marketing scheme	289	234,690,269
Freight Rebate Scheme	53	23,300,870
Export Credit Insurance Scheme	7	2,745,009
Participation in International Fairs SMEs Refund Scheme	2	199,372



REAL ESTATE & HOSPITALITY

The Covid-19 pandemic and the restrictions imposed during the confinement periods, coupled with travel restrictions which deferred signature of sales agreements, impacted significantly on the real estate sector. FDI flows in real estate fell by more than 30% in FY 2020/21, to MUR 7.5 billion, from MUR 11.1 billion in FY 2019/20. Travel restrictions affected FDI flows in residential segment from the onset. Private sector investment, fuelled by the implementation of seven smart city projects, for the year under review was MUR 36 billion.

However, property developers remain resolute in their belief in real estate as an attractive investment asset class despite the COVID-19 crisis and the positive trends recorded in the pre-pandemic period would be reversed with the number of announced greenfield projects.

The re-opening of the economy, after the containment of the pandemic during the 2 confinement periods, has allowed decent recovery of local and international investments in real estate, with many projects originating from the pre-pandemic pipeline. 68 shovel-ready projects that were slowed down in the first half of 2020 resumed construction activities. Another 38 new projects entered construction phase.

PROPERTY DEVELOPMENT SCHEME AND SMART CITIES

10 projects were approved under the Property Development Scheme (PDS), 3 under the Smart City Scheme, 6 under the National Regeneration Programme (NRP), and 2 under the Invest Hotel Scheme (IHS) in the year under review.

Investments in smart cities are crucial for the development of productive capacity and infrastructure and for the prospects for a sustainable recovery. The smart cities, at its core, is the use of urban planning tools and new urbanism principles, economic policies, and technology to create large-scale mixed-use intelligent developments and business hubs. They are supported by infrastructure and support services to accommodate investors for setting up and operating from within the smart cities.

DEVELOPING THE SILVER ECONOMY

Silver economy represents a promising new cluster of activity and targeted segment of the tourism sector with a positive knock-on effect on several sectors. EDB has been actively promoting the concept of silver tourism in key markets through a thoughtful media approach to showcase Mauritius as the world's preferred retirement destination and enhance its position as a prominent destination on the global investment map.

The development of seven (7) luxury senior residences representing a total investment of approximately 1.1 billion MUR will further help position Mauritius as the ultimate retirement destination providing an unparalleled exquisite lifestyle for retirees.

A dedicated portal on residency (www.residency.mu) was launched covering all avenues for obtaining residency in Mauritius and embracing the Invest-Live-Work-Retire concept.

A Memorandum of Understanding (MoU) was also signed with the Tourism Authority to facilitate the exchange of information on tourist accommodations to be published on the portal.

FACILITATION OF REAL ESTATE PROJECTS

During FY 2020/2021, EDB handled a portfolio of 160 projects (a combination of real estate, hospitality, and retirement projects) representing a total investment value of approximately MUR 45 billion. EDB acts as a facilitator for major investment projects by acting as bridge between the relevant authorities and investors, which is critical to ensuring a high implementation rate of such projects. In addition, numerous high-level facilitation meetings were conducted to fast track the issue of permits and licences.

ACCELERATING RECOVERY IN THE REAL ESTATE SECTOR

In view of the importance and contribution of the real estate sector to the Mauritian economy, the National Budget 2021/2022 emphasised several targeted measures to spur development under the various schemes:

- Promoters under the Smart City Scheme will be allowed to sell one plot of serviced land not exceeding 2,100 m² to a non-citizen holder of an Occupation permit, a Permanent Residence Permit, or a Residence Permit for another period of two years, i.e., up to 30 June 2024 instead of 30 June 2022.
- Promoters under the PDS will also be allowed to sell a plot of serviced land provided that the total area of all plots of serviced land for sale should not exceed 25% of the land area planned for the construction of residential properties.
- The limit for the sale of units in an approved hotel development under the IHS will be increased from 60% to 80% of the total number of units.
- Owners under the IHS will be allowed to occupy their units for a total period of 180 days instead of 90 days in a year. In the case of owners holding a Premium Visa, there will be no restriction in terms of the number of days that they can occupy their units.
- Registration duty on the sale of a residential property under the Integrated Resort Scheme (IRS or Real Estate Scheme (RES) will be levied at the rate of 5% or USD 70,000 whichever is the lower.
- The Non-Citizens (Property Restriction) Act will be amended to provide that no approval is required from the Prime Ministers' Office (PMO) for disposal of property under the EDB Schemes (e.g., PDS, IRS, Business Purpose, Smart City and G+2) but only for EDB to notify the Prime Minister's Office of such disposal.

- A non-citizen who purchases or otherwise acquires an apartment used, or available for use, as residence, in a building of at least 2 floors above ground floor, provided the purchase price is not less than USD 375,000 will be issued with a residence permit, including his dependents, and exempted from the requirement of a work or occupation permit; and
- The validity period of an area regeneration plan approved by EDB under the NRP will be extended to 5 years to give ample time for approved projects to benefit from the package of incentives under the National Regeneration Programme.



MANUFACTURING

During the last 2 years, enormous efforts have been deployed by Government to give a new lease of life to the Manufacturing sector, which is a major contributor to the Mauritian economy in terms of employment, exports, and foreign exchange earnings. Whilst the manufacturing sector stepped up after the first confinement, the second outbreak of the pandemic in March 2021 impacted both on operations and the timely implementation of strategies devised to reposition the sector. In addition to stoppages to factory operations, air and sea connectivity issues and disruptions in the global supply chains delayed and limited access to inputs from sourcing markets.

In 2021, total exports for Mauritius increased by 16.9% from MUR 70.2 billion in 2020 to MUR 82.1 billion, with export of goods standing at MUR 70.0 billion. Gross Value-Added contribution of the manufacturing sector to the economy stood at 13.3%. Manufacturing Sector FDI was reported at MUR 128 million for Jan-Sept 2021 as compared to MUR 1.65 billion for Jan-Sept 2020. The sector employed around 90,400 people and exporting over 1,500 product lines to some 122 countries.

EDB has been significantly involved, together with other stakeholders, to initiate activities with view to enhance the resilience of the domestic industry. EDB also reviewed and adapted its trade and investment promotion activities following limitations faced due to the pandemic by adopting a more focused and digitalized approach.

PERFORMANCE OF SUB-SECTORS

The Manufacturing sector in Mauritius accounts for diverse sub-sectors, but with a deeper focus on Textile & Apparel, Food Processing, Seafood Processing, Alcoholic Beverages, Light Engineering and Jewellery.

TEXTILE AND APPAREL

Trade value for Textile and Apparel in 2021 was MUR 22.6 billion compared to MUR 19.9 billion in 2020. An increase in exports of apparel was noted in 2021, mainly attributed to the fact that major retail buyers in existing markets such as South Africa, USA, France, UK and Italy were encouraged to source from Mauritius. Some businesses in this sub-sector also repurposed into new production lines such as face masks, PPE and other MedTech products. From an investment perspective, a textile factory from Uganda relocated to Mauritius.

FOOD PROCESSING

The food processing industry was among the least impacted sectors across most segments in 2021, with total exports value of MUR 22.3 billion in 2021. Acceptability of processed food products increased as customers focused on easily available products with longer shelf lives.

SEAFOOD

Trade value for the seafood sector in 2021 amounted to MUR 12.2 billion as compared to MUR 12.6 billion in 2020. In terms of investment, 2 new projects including a frozen fish processing unit and a headquarter (MUR 126 million) came under implementation.

EDB played a key role in sustaining the seafood sector despite the complexity with respect to the fishing quotas. Together with competent authorities and private sector stakeholders, EDB endorsed strategies aiming at maintaining sustainable industrial tuna fishing levels while fostering an image of a fishing nation endorsing best practices towards the Mauritian markets.

EDB has also supported the inception of a new project in the Southern Indian Ocean Fisheries Agreement (SIOFA) region with the aim to diversify the fisheries sector in new species and capitalize on the fisheries agreement.

EDB intervened along with competent authorities for the review of the aquaculture policy for the implementation of new in-lagoon aquaculture projects. One major project with an investment value of MUR 100 million was facilitated by EDB and is now engaged in the culture of oysters for the production of nacre powder used in the manufacture of biomedical materials.

EDB has also been spearheading the implementation of a new policy framework regarding the exploration of untapped resources in the Exclusive Economic Zone of Mauritius through exploratory fishing. In addition, EDB collaborated closely with public sector stakeholders for the structuring of a new aquaculture framework, while at the same time initiating actions to attract and promote investment in longline tuna and demersal fishing and the implementation of processing facilities in such segments.

ALCOHOLIC BEVERAGES

Total exports of alcoholic beverages amounted to MUR 508 million in 2021, increasing by 39% as compared to MUR 365 million in 2020. The alcoholic beverages segment in Mauritius witnessed international recognition with 2 Mauritian rum manufacturers winning the World Rum Awards Gold in 2020 and the Canne D'or at the International Sugarcane Spirits Award Competition 2021.

With the operationalisation of the Mauritius-China FTA, local beer and rum producers managed to secure new distribution channels in 3 cities in China, namely Foshan city, Guangdong province and Shaoxing.

LIGHT ENGINEERING

Trade value for the light engineering segment stood at MUR 8.8 billion in 2021. The light engineering sector is poised to become one of the key pillars of the economy in this decade. It currently contributes to 37.6% of the total manufacturing sector Gross Value Added (GVA), with MUR 20.2 billion in 2021 representing 5.0 % of total GVA of the country.

JEWELLERY

Exports from the jewellery and precious stones segment in 2021 amounted to MUR 4.0 billion, compared to MUR 2.9 billion in 2020. Owing to the Covid-19 pandemic, the jewellery segment witnessed a drastic fall in orders, added to the escalating price of gold. In terms of investment, the EDB has facilitated the implementation of a major gold refinery which is expected to start operations by mid-2022.

NEW SECTOR DEVELOPMENT - PHARMACEUTICALS

Major developments are anticipated within the vaccine and generic pharmaceutical manufacturing space. In this view, significant efforts and resources were deployed to shape the country's vaccine manufacturing capabilities that would enable Mauritius to develop an adequate level of vaccine self-sufficiency.

Key projects were facilitated during the year relating to generic pharmaceutical and protein reagent manufacturing from India and South Africa, respectively.

EDB also contributed into the elaboration of the pharmaceutical manufacturing framework in consultation with the Ministry of Health and Wellness. Guidelines were issued for all promoters that would contemplate pharmaceutical related investments in Mauritius. This collaboration was also extended towards the review of the Medical and Healthcare Products Bill, which is due to replace the Pharmacy Act.

EXPANSION OF THE MARKET SPACE

Mauritius concluded negotiations and executed 4 key agreements to expand its market for goods and services. EDB continued to work actively to exploit the full potential of the Mauritius-China FTA, the African Continental Free Trade Agreement, the UK-ESA Economic partnership Agreement and the Mauritius-China FTA.

A NEW PROMOTIONAL STRATEGY

Over the course of 2020/2021, EDB moved a substantial amount of its trade promotion activities onto digital platforms, and participated in several virtual trade exhibitions allowing local manufacturers to virtually display their products and conclude orders. In addition, EDB conducted a series of webinars and virtual trade shows targeting different key markets to enhance the visibility of Mauritius as a reliable trade and investment platform for the region. Moreover, EDB operated negotiations remotely.

In relation to the pharmaceutical segment, the EDB expanded its marketing efforts with targeted initiatives in key markets, namely the USA, India, and Europe. Webinars and focused round tables were organised with the US Advanced Medical Technology Association (Adversed) and the Russian Association of Importers and Exporters of Healthcare galvanizing the investment opportunities in Mauritius.

EDB stayed closely connected to stakeholders during the year through virtual speaking engagements and webinars amongst others, ventilating and facilitating various support programmes implemented by Government.

REPOSITIONING OF THE MANUFACTURING SECTOR

As Mauritius recovers from the pandemic, EDB will continue to play a key role in re-positioning Mauritius as a strategic manufacturing hub for the region, which is more competitive, more sustainable and more resilient after this crisis.

EDB will focus on actions to enhance exports to regional and emerging export markets, facilitate online presence and enhance export readiness of enterprises by encouraging local manufacturers to invest in automation, improve operations in both scale and productivity, promoting sustainable production, and attracting new investors in high-tech transformation activities.



FINANCIAL SERVICES

The financial services sector represents a core pillar of the Mauritian economy contributing to 13% of the GDP of the country and employing more than 15,000 professionals. Prior to the Covid-19 pandemic, the sector witnessed a growth rate exceeding 5% over five years, and despite the pandemic, the sector continued to record growth, albeit at a reduced rate of 4.2% in 2021.

In addition to revisiting its marketing, promotional and outreach strategies to adapt to the context created by the pandemic, the EDB was at the forefront in keeping the international community abreast of the actions being undertaken at the highest level of the country, notably with regard to AML-CFT, to enhance our visibility and image as a financial centre of substance and repute internationally, and to position the attractiveness of the schemes and products in targeted key markets.

The EDB was also engaged, alongside other stakeholders, at the different committee levels and core group in devising strategies and actions for exiting the EU and FATF lists.

INNOVATION ON THE FINANCIAL SERVICES SECTOR THROUGH RSL

The Regulatory Sandbox License (RSL) is issued by the EDB to eligible companies willing to invest in innovative projects according to an agreed set of terms and conditions for a defined period. All Fintech projects under the RSL are determined and recommended by a National Regulatory Sandbox Licence (NRSL) Committee.

During the financial year 2020/2021, the EDB registered 8 new applications for fintech RSL including cryptocurrencies exchange platforms, digital wallets and crowdfunding platforms. Projects were accordingly assessed, and licence issued when positively determined.

STRATEGIC INITIATIVES

CAPITAL ECONOMICS REPORT

In order to ensure that Mauritius is not subjected to unfair criticisms regarding the value that it plays as a financial centre, especially for Africa, the EDB commissioned an independent study entitled "The Role of the Mauritius International Financial Centre in driving economic growth and prosperity in Africa", which was conducted by UK-based consultancy firm Capital Economics.

The report seeks to support our assertions on the impact that Mauritius-structured investments make into Africa, and rebut claims such as tax depletion or income alienation, amongst others. The report is built on statistics and information gathered through surveys disseminated to both public and private sector stakeholders, international investors, recipients of investments, financial intermediaries, and on inputs formulated by the Financial Services Consultative Council and authoritative data and inputs of the Bank of Mauritius, the Financial Services Commission and the Mauritius Revenue Authority. The report was finalised in August 2021.

MAURITIUS IFC WEBSITE

In order to increase our digital presence as an IFC, the EDB commissioned the development of a dedicated financial services website, in collaboration with the Ministry of Finance, Economic Planning and Development and the Ministry of Financial Services and Good Governance.

The purpose of the website is to increase visibility and enhanced online presence of the jurisdiction through an informative and promotional virtual platform comprising a dedicated products and services page, a dynamic news segment, a legal resources page, a list of events within the Mauritian jurisdiction including webinars, and a business repository of players within the Mauritius IFC (insurance companies, banks, management companies, and others). The website was launched in August 2021.

DISSEMINATION OF JURISDICTION AND INDUSTRY NEWS

The EDB has also started working with a content-publishing consultant for the Mauritius IFC, with the aim of keeping the momentum of the jurisdiction and showcasing achievements and noted deals, as well as expertise of the financial services professionals.

As such, in the Mauritius IFC website and social media pages, a number of press releases, interviews, feature articles, thought leadership and opinion articles are released every month.

INVESTMENT PROMOTION INITIATIVES

Given the current Covid-19 pandemic, EDB's promotion strategy for the financial year 2020/2021 was revisited towards the adoption of digital marketing platforms such as webinars and e-conferences. During the year in assessment, the EDB organised and participated in several webinars and online events, sometimes in collaboration with local and international partners, portraying the opportunities in Mauritius. The webinars also covered a wide array of themes, including trusts and foundations in succession and estate planning, fintech opportunities, private capital in East Africa, the Mauritius China-FTA with regard to financial services and business hub, amongst others.

ADDRESSING POLICY ISSUES

EDB was also an active contributor in advocating policy issues faced by the financial sector. These included works undertaken regarding the Family Office and Asset & Fund Manager schemes, contribution in the Working Groups for Insurance Wrapper and VCC, participation in the on-going 5th round of ESA-EU negotiations, and other legal amendments.



FREEPORT & LOGISTICS

The Mauritius Freeport was set up in 1992 with the objective of promoting Mauritius as a regional trading and logistics hub. At its humble beginning the Freeport provided basic warehousing facilities for dry goods of 5,000 m² that could capture “entrepot trade” with a total trade of MUR 715 million by value and 20,000 tons by volume.

Over the years, the Mauritius Freeport has progressively evolved with modern and specialized infrastructures being developed. Today, 78 Ha of land has already been declared with Freeport status, totalising 17 Freezones, based at the port, airport and Riche Terre.

Additionally, the Mauritius Freeport has joined the World Freezone Organisation (WFZO) and the Africa Economic Zone Organisation (AEZO) to better develop its network and conduct comparative studies. In 2020, the Mauritius Freeport was ranked 9th globally and highly commended in Africa by fDi Magazine’s for Global Free Zone of the year report published on 15th October.

The recognition by the FDI Intelligence Magazine has strengthened the position of the Mauritius Freeport as a commercial freezone offering more than 400,000 square metres of modern facilities which includes warehouses, processing and industrial units, open air storage and offices. Currently, there are over 200 freeport companies employing 3,500 people.

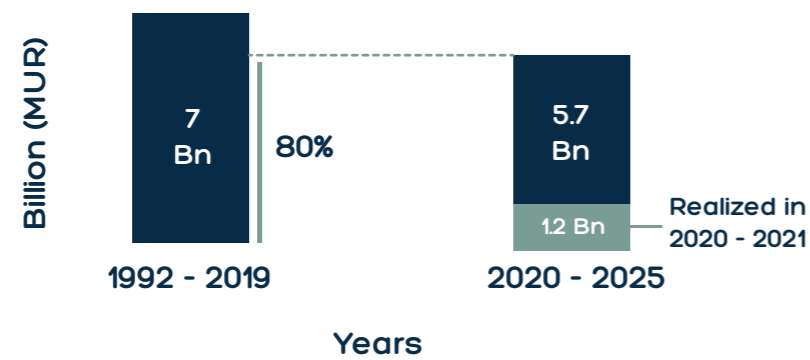
The high-quality service offerings provided by the freeport stakeholders, after nearly 30 years of existence, have contributed considerably towards shaping up the ideal logistics and value addition platform between Africa, Europe and Asia.

Strategically located, Mauritius is poised to become an integral part of the new economic architecture and shall place the Mauritius Freeport as the ideal logistics and value addition platform.

CONTINUOUS INVESTMENTS FOR THE FREEPORT AND LOGISTICS SECTOR

Since inception in 1992 and up to 2019, cumulative investment in the Mauritius Freeport towards infrastructural development had reached MUR 7 billion. Subsequently, over the next 5 years, 2020 - 2025, the committed investment for the freeport and logistics sector amounts to MUR 5.7 billion. In 2020/21, investment to the tune of MUR 1.2 billion has already materialised.

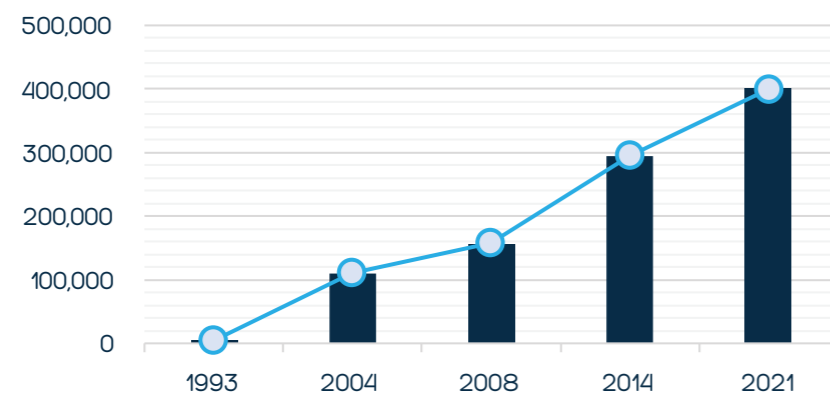
The table below, clearly indicates that since 2020, investment in the freeport has gained substantial momentum, as more foreign freeport developers are looking to setting up capabilities in Mauritius and take advantage of the projected upturn with the coming into force of the AFCTA, CECPA with India and the Mauritius-China FTA. Additionally, the business climate in Mauritius is a huge attribute for regional players to look towards the Mauritius Freeport.



FREEPORT AND LOGISTICS (NON-FREEPORT) INFRASTRUCTURAL FACILITIES

In 2020, the declared land with Freeport status reached 78 Ha with 400,000 m² comprising of modern warehousing facilities, processing units, cold rooms, open air storage and offices conforming to stringent international norms and standards. The Mauritius Freeport consists of 17 Freeport Zones (FPZ), currently managed by 7 Third-Party Freeport Developers and 3 Private Developers.

For the period 2020/2021, there were 7 projects consisting of warehousing, logistics facilities, office spaces, loading bay, bulk storage, cold room, processing units and open yard storage at the Port, Airport, Jin Fei and Riche Terre Business and Industrial Park. The Logistics and Freeport projects are over an extent of land close to 160,000 m² (Freeport Zones: 100,000 m²; Logistics: 60,000 m²)



ACTION PLAN TO SUSTAIN BUSINESS ACTIVITY DURING COVID-19

BUSINESS FACILITATION

The advent of COVID-19 has accelerated the concept of work from home and most companies had no choice than to adapt to the new normal. Remote assistance was given by the EDB to freeport developers and operators during the lockdown for:

- Renewal of freeport certificates and storage permits;
- Assessment of new freeport projects through online meetings;
- Declaration of new freeport zones; and
- Applications for preferential port handling charges for export of goods.

In addition, to ensure business continuity in the freeport sector, Work Access Permit (WAP) were issued to freeport developers and operators. EDB Freeport Team facilitated the process of issuing WAP to the freeport community to maintain the day-to-day logistics and value addition activities and movements of goods. This was essential to prevent shortage of basic commodities for local consumption and sustaining export activities.

DIVERSIFICATION STRATEGY

During shut-down and the fact that borders were closed, several leading companies in Mauritius were approached by the EDB Freeport Team to promote the Mauritius Freeport and sensitise the local private sector towards adopting a diversification strategy, including the Logistics & Freeport sector.

The objective was to encourage companies to set up freeport and logistics infrastructural facilities, in collaboration with existing freeport developers having nearly 30 years' experience in this field and invest in promising sectors with a view to mitigate the impact of Covid-19 on existing economic activities. The broader view is to prepare the capability of Mauritius to take advantage of the AfCFTA, the CECPA and the MC-FTA, once borders are opened and trade patterns stabilizes.

PROMOTION

With the restriction in the movement of people during the pandemic, digital marketing strategies have been adopted for promotional campaigns. The use of applications such as Microsoft Teams, Zoom, amongst others, have enabled us to be in touch with targeted audiences and potential investors, both locally and globally.

Shifting from the traditional business forums and B2B meets, the EDB is currently organizing an interactive webinar to connect freeport operators engaged in trade of goods to enhance regional cooperation and increase air cargo traffic between Mauritius & regional IOC countries.

ANNUAL BUDGET 2021/22

The following measures have been introduced through the annual Budget 2021/22 related to the Freeport:

- Introduction of Manufacturing activity as a non-Freeport authorized activity in the Freeport zone subject to authorisation of the EDB;
- The storage limits of goods in the Freeport may be extended for an additional 3 years subject to approval of MRA in consultation with EDB;
- Introduction of Display showroom Freeport facility provided by Third Party Freeport Developers for rental to Freeport operators; and
- Export Credit Insurance Scheme extended to Freeport operators for their exports activities.



FOOD SECURITY

The agricultural sector grew by 1.2% per annum over the last five years, contributing to more than MUR 20 billion in exports and employing more than 40,000 people. On the investment front, substantial investments were made in the following areas:

- Extension of major breeding unit
- Structuring of important agri-farms by the private sector
- Investments in processing facilities in the seafood sector

There have been some key initiatives in the agribusiness sector over recent years including the realisation of the centralised digital land bank, development of nutraceutical framework and the government program to encourage technology farming and agro-processing. The Covid-19 pandemic led EDB, in collaboration with stakeholders, to work towards a new strategy on food security for Mauritius.

The nutraceutical venture led to one company already commercialising its products locally and has kick started negotiations for exports. This followed EDB's collaboration with University of Mauritius in devising a roadmap to spearhead the development of the nutraceutical sector in Mauritius. 126 terrestrial and marine organisms with nutraceutical potential were identified out of which 7 can yield potentially high return on investment, namely: Moringa, Papaya, Strawberry Guava, Tea, Pineapple, Pomegranate and Noni. Land analysis for large-scale production of nutraceutical plant species were also undertaken.

Furthermore, a major company has kick-started its production of avocados and bananas on a very scale basis and the EDB is pursuing its efforts in enabling both foreign and local investments in added value agriculture and food processing.



EMERGING SERVICES

INFORMATION AND COMMUNICATIONS TECHNOLOGY

In 2021, the ICT/BPO sector grew by 6.5% and its contribution to the GDP was 7.4%. The sector consists of around 850 companies, employing some 30,000 people. Internet and mobile penetration reached 133% and 151%, respectively. During the FY 2020/2021, the sector maintained its growth momentum, fueled by increasing diversification in the geographic base and industry verticals, and adaptation in the service offerings portfolio.

In terms of investment, EDB facilitated the implementation of 3 major projects comprising of one call-centre and two projects involved in the development of specialized IT solutions.

The latest Kearney Location Index 2020 ranked Mauritius as among the top 25 nations (24th position) and 1st in Africa in the digital resonance ranking.

EDB also organized and participated in several initiatives for promoting the sector and identifying new opportunities, including webinars with the Ivory Coast, South Africa, Kenya, and NASSCOM.

The EDB also steered the setting up of the Digital Industries Academy to cater for the lack of manpower in the industry and signed an MoU with GOTIC (Groupement des Operateurs TIC - Cote D'Ivoire) and IT association South Africa (ITA) to promote collaboration and economic ties between both countries.

INNOVATION AND START UPS

In line with Government initiatives, the EDB has been vigorously pursuing potential avenues to support and assist local entrepreneurs in developing new clusters such as Fintech, AI, Telemedicine, EdTech and E- Commerce.

As part of its new e-Commerce scheme series, EDB delivered an e-commerce certificate to a company providing a platform for inspection brokerage, between commodity buyers and inspection outfits worldwide. These entities are ready to compete and bid on price and turnaround time for the performance of an inspection service, and the issuance of an inspection report and/or a certificate of conformity (COC).

EDB also issued a Smart and Innovative Mauritius Development Scheme (SMID) certificate to a local start up engaged in the production of nutraceuticals with a view to assist the local player in its growth and development while promoting an innovative culture and furthering the development of the spirit of entrepreneurship across the country.

With a view to boosting innovation, EDB collaborated with JICA Madagascar for the organization of the Ninja business contest to support the development of new start-ups and provide them with the possibility to connect with international investors for future growth.

With its strong focus on the development of the Mauritian start-up ecosystem, EDB has also been taking a more active role to support the development of the Data Technology Park designed to host companies in emerging technology industries. EDB is also spearheading the implementation of an online marketplace for startups aiming at providing local startups with more resources and a platform for triggering future growth.

CREATIVE INDUSTRIES

With the outbreak of the Covid-19 pandemic, venue-based segments such as cinemas, concert halls, theatres, museums, and art galleries were greatly impacted. Film production on the island also suffered due to travel and movement restrictions. Nevertheless, during the FY 2020/2021, EDB has been very active in strengthening the creative industry.

The EDB expanded its marketing effort to attract 6 foreign film productions representing some MUR 771 million spending in Mauritius under the Film Rebate Scheme. "Resort to Love", a Netflix production entirely shot in Mauritius and facilitated by the EDB under the Film Rebate Scheme recorded millions of viewers across the globe. The film has beautifully showcased stunning landscapes of the island driving a 40% increase in searches for "Mauritius" worldwide and an 80% increase in searches for "Mauritius Island" worldwide.

The EDB also been working in close collaboration with the Ministry of Arts and Cultural Heritage and other stakeholders to implement several projects, including development of an Art District within Port Louis, an online virtual Fine Art Gallery to host art exhibitions and facilitate sales of artwork to the public and a Public Art Policy to allow local artists to display or perform in public places. EDB will also act as a one-stop-shop to register and assist local artists to promote their artwork internationally.

EDB and the Ministry of Arts and Cultural Heritage collaborated with the UNESCO to apply under the UNESCO Creative city Network to endorse Port Louis as a Creative City of Music.

HEALTHCARE AND LIFE SCIENCES

During FY 2020/2021, EDB's strategy has been geared towards consolidation, diversification, and innovation of the healthcare sector to adapt to the new normal. The healthcare sector showed growth and resilience for the last few years owing to its strengthening coverage, services and increasing expenditure by public as well as private players. GDP contribution of the sector was 5.6% and the sector employed around 8,500 people. The promotional strategy shifted towards attracting institutions specialized in treatment of pathologies such as cancer, cardiovascular diseases, endocrinology amongst others to cater for the growing needs of the population.

EDB has been facilitating the implementation of 2 major private hospital projects specializing in oncology, with one of providing a PET scanner available in Mauritius for the first time. Expected investment for these projects amounts to approximately MUR 1.5 billion.

EDB has also been engaged in initiatives to offer telemedicine services from Mauritius and has identified potential markets for such services. With an aim to give a definite innovative touch to our healthcare landscape, EDB has also been involved in the setting up of a framework for stem cells.

On the Life Sciences front, EDB has been focusing on the development of appropriate plans and policies for developing this segment. EDB has been actively involved in finalization of regulatory framework for registration of CROs, finalisation of regulatory framework for trials on medical devices, guidelines for Clinical trials, development of a website for clinical trials, and streamlining of regulatory framework for pre-clinical trials. There has been growing interest from major pharmaceutical businesses to carry out their research projects in Mauritius, particularly with the Covid-19 pandemic bringing the pharmaceutical and research industry at the forefront. In the FY 2020/2021, 5 CROs involved in Clinical Trials were operating in Mauritius.

EDUCATION

In 2021, education sector contributed 5.1% to the GDP of Mauritius, with a total employment exceeding 27,000 people. 44 private tertiary educational institutions were in operation in the same year. There were around 3,800 foreign students from more than 70 different countries.

In line with Government's vision of increasing the number of international students in Mauritius by 2030, efforts have been geared towards attracting more international students and boosting export earnings.

EDB injected efforts towards reinforcing academic collaborations between reputed international institutions and local & private tertiary educational institutions to further provide high quality teaching and education as well as addressing the industry needs.

In terms of future orientation, the educational technology (EdTech) market space has emerged as fast-growing and key component of the education sector, and the use of technology in education coupled with increased mainstream adoption of many education technology tools are becoming the new trend. EDB has been pursuing its promotional activities through focused virtual events targeting different markets to position Mauritius as a regional education hub and a centre of excellence for higher education.

OCEAN ECONOMY

In addition to the seafood sector, as detailed in the manufacturing sector segment, EDB has been involved in other segments forming part of the ocean economy.

EDB's continuous efforts regarding the development of the fishing industry, focusing on the consolidation of our existing tuna fishing activities as well as diversification of fishing activities is mirrored by its specific actions to expedite projects linked to established industries and by structuring the regulatory framework to promote the emergence of new activities.

EDB played a key role in sustaining the seafood sector despite the complexity with respect to the fishing quotas. Together with the competent authorities and private sector stakeholders, EDB endorsed strategies aiming at maintaining sustainable industrial tuna fishing levels while fostering an image of a fishing nation endorsing best practices towards our markets. EDB has also supported the inception of a new project in the Southern Indian Ocean Fisheries Agreement (SIOFA) region with the aim to diversify our fisheries sector in new species and capitalize on our fisheries agreement.

Furthermore, EDB intervened along with the competent authorities for the review of the aquaculture policy for the implementation of new in-lagoon aquaculture projects. To this end, one major project engaged in the culture of oysters for the use of nacre to produce powder used for the manufacturing of biomedical materials is being facilitated and currently in implementation stage. This shall include an investment of some MUR 100 million.

In its new endeavours to support the development of the sector, EDB is spearheading the implementation of a new policy framework regarding the exploration of untapped resources in the Exclusive Economic Zone of Mauritius through exploratory fishing. In addition to the above, EDB is collaborating closely with public sector stakeholders for the structuring of a new aquaculture framework, while at the same time initiating actions to attract and promote investment in longline tuna and demersal fishing and the implementation of processing facilities in such segments.

In relation to the ports related activities, FY 2020/2021 witnessed delays for both public and private sector led projects, namely, the cruise terminal, servicing land at Fort William and onshore storage for bunkering. The delays were attributed to the impact of the Covid-19 pandemic. Nevertheless, since the beginning of 2021, two oil majors invested over USD 1.5 million in the refurbishment of their storage tanks at Mer Rouge and Fort William, respectively.

The bunkering segment fared up exceptionally well. EDB intervened along with major public sector stakeholders in the elaboration of a functional framework for bunkering that caters for business continuity, growth and added security. Bunkering figures in terms of volume for all categories of fuel accounted for a year-on-year growth of 45%. Two new companies obtained licenses for operating bunker barges at Port-Louis and licenses for another 2 companies were under consideration.

In the ship management segment, a major player, managing 13 vessels, relocated its ship management activities which includes crew management, human resources, and accountancy, among others. The project was implemented with a total investment of EUR 2.6 million.



PROMOTION & MARKETING

PROMOTION AND MARKETING

Last year propelled us all further into the digital world and accelerated the uptake of digital solutions, tools, and services to promote investment and trade flows in the country. EDB's efforts were focused upon promoting investment and trade by enabling access to relevant information, expanding knowledge of our investment and trade opportunities through digital media, and identifying synergy opportunities with international organisations like the UNCTAD, SADC and COMESA.

To that end, one of EDB's key regional strategic initiative including hosting a seminar for Southern African Development Community (SADC) member countries was organised by UNCTAD in partnership with the EDB on 28 and 29 April 2021 which focused on:

- FDI trends and prospects with special attention for investment in SDG (sustainable development goal) sectors, including projects in the food sector, healthcare, ICT, renewable energy, and the blue economy;
- IPA experiences in adapting to the new normal and expanding facilitation services to SDG investment projects; and
- The way forward for bilateral investment agreements in view of the AfCFTA Investment Protocol negotiations.

In addition, EDB's activities focused greatly on providing after-care services aimed at assisting existing investors by adopting a business continuity and problem-solving approach. To this end, EDB is continuously promoting reinvestment and the retention of companies already established in the country, as well as on diversifying its digital channels for investment attraction.

EDB has been reinforcing its online contact with clients, providing overseas companies with the tools they need to be informed about government policies and assistance in the context of the crisis and supporting them, so they are in a better position to resume their investments or implement new projects in the country once the sanitary measures are lifted.

EDB has already held some thirty successful webinars to address investors questions regarding trade and investment opportunities and enabling us to deliver on our objectives; to enhance trade and investment, increase innovation and entrepreneurship, and promote Mauritius as a great place to live, visit, learn, work, and retire.

LAUNCH OF NEW MULTILINGUAL EDB WEBSITE

The new EDB multilingual website was launched on the 21st of November 2020. The aim of this new website is to showcase the investment opportunities of Mauritius as well as to promote the latest initiatives and activities of the EDB while communicating and engaging in an interactive manner with a wide range of audiences and potential investors.

ENHANCING EDB'S DIGITAL PLATFORMS

In line with its integrated digital transformation approach, the EDB pursued its strategy to consolidate its presence and increase engagement on various social media platforms notably, Facebook (+16k followers - an increase of 4k as compared to last year), YouTube, Instagram, Twitter, WhatsApp, LinkedIn, amongst others).

LAUNCH OF RESIDENCY PORTAL

With the partial opening of our borders on the 15th of July 2021, the EDB launched the 'residency/retirement' portal to showcase the various offerings of Mauritius as a retirement, business, residency, and investment destination. This initiative is also in line with the National Budget 2021/2022, which is to implement a dedicated portal for foreign retirees with practical information.

INTERNATIONAL PR, MEDIA, AND ADVERTISING RELATIONS - LE FIGARO

To reinforce the visibility of the residency portal and for Mauritius to remain 'Top of Mind' in this pandemic context, the EDB collaborated with 'Le Figaro' Magazine in July 2021 for native articles and adverts. This engagement will lead to future collaboration and long-term relationship to enhance the visibility and awareness of Mauritius as a destination 'Open for Business'.

INVESTOR TESTIMONIALS

The EDB engaged on a one-to-one basis with various investors and business operators to produce and promote testimonial videos to boost the brand visibility of Mauritius as a business hub and the institution.

VIRTUAL EVENTS AND ACTIVITIES BY EDB GLOBAL OFFICES

Over the last year, EDB has been reinforcing its communications through newsletters, reports and e-books and online conferences. Some major activities carried out together with our global offices are:

- Participation in the International Forum on African Leadership and in the Global Trade Conference, organised by the Greater Birmingham Chamber of Commerce
- Promotion of Mauritius as an Investment and Sourcing Destination with the collaboration of different Indian industry bodies
- Actively supporting the putting together of framework and policies towards the eventual ratification of the AfCFTA (Africa Continental Free Trade Area), the CECPA (Comprehensive Economic Cooperation and Partnership Agreement) with India and the MC-FTA (the Mauritius China Free Trade Agreement).
- Organising the first major webinar with Japan-based organisations with an Africa Strategy

- Promoting Mauritian Special Sugars at the 104th China Food and Drinks Fair in Chengdu in China.
- Launching of the Rodrigues Office of the Economic Development Board (EDB) on 07 December 2020, with an aim to consolidate the development of existing sectors and identify new sectors in view of diversifying the economic landscape of the island and creating jobs in new growth poles
- Marketing initiatives geared at identifying niche segments in the global market including medical devices.
- Facilitating the organisation of the 'HSBC Mauritius - Japan Business Corridor: Stakeholders Dialogue & Way Forward' webinar targeting the Japanese Market.
- Facilitating the participation of 14 Mauritian companies from the agribusiness, food processing, manufacturing, waste management and recycling, ICT, financial services, retail, wholesale, and distribution sectors in the online business match making event which was organised by UNIDO-ITPO Tokyo in the margins of the commemoration of the "Africa Industrialization Day 2020 in Japan".
- Introducing Mauritian Beer and Rum in the Chinese Market.
- Facilitating the participation of 5 Mauritian companies in the Business Matchmaking session of the 3rd Japan-Africa Business Forum (JABF2021) themed 'Shaping a New Africa in the Era of Covid-19' and organised by the Asia External Representation Office of the African Development Bank.

KEY PROMOTIONAL ACTIONS TOWARDS MEETING GLOBAL OUTREACH OBJECTIVES

During the financial year 2020/2021, 16 webinars were conducted; with three of them being oriented towards export promotion while the rest were geared at promoting Mauritius as an investment and business hub for the region. These rising number of requests for such interactions was mainly attributed to the enforcement of the CECPA with India, the Mauritius-China FTA and the AfCTA.

The EDB also organised three business forums, the major ones being focused firstly "Fostering Business Relations Between Mauritius and Seychelles" and the second one being on the occasion of the signature of the CECPA between India and Mauritius.

EXPO 2020 DUBAI

Every five years, a city has the utmost privilege to host one of the oldest and largest international exhibitions on the planet, The World Expo organized under the auspices of Bureau International des Exhibitions (BIE). For 170 years, World Expos have provided a platform to showcase the greatest innovations that have shaped the world we live in today.

It is the first time in the history of World Expo that this event will be held in the Middle East region, more precisely in Dubai, United Arab Emirates (UAE), from the 1st of October 2021 to 31st March 2022 and will see the participation of 192 country pavilions. Expo 2020 Dubai is the largest international business meet since the advent of the COVID-19 pandemic and is considered to be the world's greatest show.

Expo2020 Dubai is being organised under the theme "Connecting Minds, Creating the Future", with this being expressed into three subthemes: 'Mobility, Sustainability, and Opportunity'.

The Expo2020 village is over an extent of 438-hectare area located between Dubai and Abu Dhabi cities. The Expo2020 has three major zones, namely, "the Opportunity district, the Mobility district and the Sustainability district", and all converging at a central hub called the Al Wasl Plaza, the world's largest 3600 projection surface.

In line with the theme of the Expo 2020 Dubai, the Mauritius Pavilion is themed "The Roots of the Future". It is located in a prime location in the Opportunity District and close to the UAE Pavilion and the Al Wasl Plaza, which is at the heart of the Expo site. EXPO 2020 is expected to attract around 25 million visits over the 6 months period.

Expo 2020 Dubai would be an opportunity for Mauritius to showcase its economic vibrancy, socio-political stability, and cultural heritage, and promote the country brand to foster trade, investment, and tourism growth objectives.

Participation in the Expo would increase the presence and visibility of Mauritius and raise the profile of Mauritius at international level. The Expo will provide an opportunity to strengthen bilateral relationship with the United Arab Emirates (UAE), position Mauritius as a stable and growing economy in Africa and promote the Mauritius International Financial Centre (MIFC) as a relevant platform for channelling investment to the continent. Additionally, the Mauritius Pavilion will be an essential tool in promoting the tourism sector, along with residency in Mauritius, such as the silver economy.



STRATEGIC ECONOMIC PLANNING

The Economic Development Board, amongst others, has the mandate to provide strong institutional support for strategic economic planning and to ensure greater coherence and effectiveness in economic policy formulation for Mauritius.

The Strategic Planning and Economic Development Directorate is responsible to fulfil this mandate of the EDB through close collaboration with other directorates of the institution, public and private stakeholders as well as through socio-economic research.

For 2020/21, the Strategic Planning and Economic Development Directorate continued to consolidate its internal capacity and develop additional tools for the organisation to better fulfil its mandate.

STAKEHOLDER CONSULTATIONS

A main function of the EDB is to engage with stakeholders on economic matters and formulate investment and trade promotion policies, plans and strategies. In this respect, several consultative and dissemination workshops were organised on:

- Broadening employment opportunities in the post-Covid era (15th September 2020)
- Building resilience through SMEs and entrepreneurship (29th September 2020)
- Mauritius China Free Trade Agreement- 'Shaping Future Economic Perspectives' (1st and 2nd March 2021)

In addition, the EDB, in collaboration with the Ministry of Finance, Economic Planning and Development, organised high level policy dialogues with the private sector. A « Forum d'échanges avec les associations du secteur privé » was organised on 7th October 2020, with representatives of private sector organisations, chaired by the Hon. Minister of Finance, Economic Planning and Development to discuss on the challenges faced by business operators and to understand opportunities arising in a Covid-19 burdened environment.

Furthermore, following the Budget 2021/22 speech, another meeting was held where the Government and the private sector took the commitment to work together to put Mauritius on the path of a strong economic recovery on the 5th of July 2021. The meeting was also chaired by the Hon. Minister of Finance, Economic Planning and Development.

BUDGET MEMORANDUM

Following consultations with different stakeholders from the private sector, EDB prepared and submitted a Budget Memorandum to the Ministry of Finance, economic Planning and Development. The document contained proposals to accelerate a revival of the economy whilst setting the scene for future areas of growth. The proposals were structured under the following themes:

- Investment as an engine of growth
- Reindustrialisation and Exports
- Sectoral Development
- Business and Trade Facilitation
- Openness, Work and Live

Several measures proposed were included in the Budget, notably on the openness agenda, business facilitation and for export and investment development and promotion.

ECONOMIC RESEARCH

As part of its functions to initiate and undertake necessary economic research at the macro-economic level with a view to formulating investment and trade promotion policies, plans and strategies, several research works were conducted, and reports prepared for public dissemination and for submission to Government. Major reports include:

- Mauritius - China Free Trade Agreement: Shaping Future Economic Perspectives
- Graduating to a high-income country- Implications for AGOA
- The Economic impact of Covid-19 on the economy
- Impact of the 2nd Lockdown on Businesses- A survey on business activities
- Assessing the economic impact of reopening of borders
- Investment and GDP growth relationship
- Analysis of Trade in Services opportunities from the Mauritius India CECPA (with the World Bank and International Economics)
- Analysis of Trade in Services opportunities from the Mauritius China FTA (with the World Bank and International Economics)

Furthermore, the strategic plans for manufacturing and ICT, started under a Reimbursable Advisory Services project with the World Bank was finalised and delivered in January 2021. The reports were submitted to relevant ministries.

ECONOMETRIC AND STATISTICAL MODELLING

In addition, the Strategic Planning and Economic Development Directorate updated its Computable General Equilibrium Model with additional functionalities to better apprehend changing economic conditions. In addition, an Economic Sentiment Indicator was developed to anticipate turning points in the economy.

Additional tools are being developed, namely a Structural Vector Autoregressive forecasting model to predict main indicators and a Gravity Model to assess economic potential of trade agreements.

INTERNATIONAL RELATIONS

EDB actively participated in several discussions of with regards to trade and investment. Amongst others, the directorate is part of discussions related to EPA, SADC, COMESA, AFCFTA, IPPA negotiations amongst others.

DOING BUSINESS



Improving the doing business climate of Mauritius is one of the core functions of The Economic Development Board (EDB). Despite the impediments posed by the Covid-19 pandemic, the EDB, in collaboration with key stakeholders, has been able to make notable inroads with respect to our reform agenda.

Whilst the 13th position as per the World Bank's Doing Business Report 2020 is a testament to the effectiveness of the reforms initiated, the Covid-19 has brought to fore pre-existing structural vulnerabilities which require prompt and in-depth policy responses. Against this backdrop, the EDB vehemently believes that reforms should be crafted to ensure substantial and sustainable improvements in the overall business environment which will be the catalyst for post-pandemic growth.

Public Private Dialogue (PPD) has been central to the formulation, advocacy and monitoring process for business and trade facilitation reforms. Along the same vein, a sharp focus has been placed on micro, small and medium enterprises (MSMEs) who have been particularly impacted during this pandemic.

BUSINESS FACILITATION

Business facilitation is crucial to ensure that businesses particularly MSMEs cope with the operational stress caused by the pandemic. The EDB has focused on three axes:

1. Accelerating automation of public sector services
2. Reducing cost of doing business
3. Cementing our jurisdiction as a safe destination for businesses

ACCELERATING AUTOMATION OF SERVICES

The pandemic has emphasised the need to accelerate automation of public sector services. Several projects have been implemented across various governmental agencies.

THE NATIONAL ELECTRONIC LICENSING SYSTEM (NELS)

The EDB has pursued its objective to onboard more business-related licences on its National Electronic Licensing System (NELS). Licenses which have already onboarded the system include: Building and Land Use Permit (BLUP), Occupation Permit, Morcellement Permit, EIA and Land Conversion Permit and licences and permits issued by the Mauritius Revenue Authority. Other licences are being automated in a phased manner. As of June 2021, there over 18,500 registered users on the NELS, 1,000+ government officers using NELS and has processed over 66,000 applications for permits/clearances/certificates.

THE MAURITIUS E-REGISTRY SYSTEM (MERS)

The Mauritius e-Registry System operated by the Registrar-General's Department allows for registration and transcription of deeds 24/7. Since last year it is now mandatory for all notaries and institutions like banks, motor-vehicle dealers, and leasing companies to use this system for submission of documents and registration. Online search facilities have also been extended to these institutions.

THE INFOHIGHWAY

The InfoHighway is a Government-owned infrastructure, which provides for sharing of data amongst Government departments. It is designed as a service platform which allows multiple Government agencies to provide their data to users from multiple number of agencies via the E-services offered on the system. As at date there are over 120 connections between various Ministries and departments including parastatal institutions and 446 E-Services, which provide for sharing of data amongst the above-mentioned entities. Following amendments brought to The Electronic Transactions 2000, even private sector institutions have been allowed to connect to the InfoHighway. This initiative is in line with the Government's require-once-principle.

REGISTRATION OF VAT AND UBO

In line with the objective of transforming the Corporate and Business Registration Department (CBRD) as a one-stop-shop for starting a business, two new modules have been developed on the Companies and Business Registration Information System (CBRIS) namely for registration of VAT with Mauritius Revenue Authority (MRA) and registration of Ultimate Beneficial Ownership (UBO).

With the new process, a person can, at the time of incorporating his company, already submit his application to the MRA to register for VAT. He will have his VAT registration number instantaneously via email once the company is incorporated. The need for a separate VAT registration with MRA has thus been eliminated. Similarly, a person need not file UBO documents separately with the CBRD, the documents can be uploaded on CBRIS at time of company incorporation.

REDUCING COST OF DOING BUSINESS

In view to decrease the financial burden of enterprises:

- The application fee for a Building and Land Use Permit (BLP) has been waived as well as the fees for clearances from CEB, CWA and WMA.
- BLP fees for construction of pharmaceutical manufacturing factories, food processing plants and warehouses have been waived.
- Moreover, exemption of trade fees of less than MUR 5,000 has been exempted for another 5 years until 2017.
- Trade fees, where applicable, will become due two Financial Years after registration of a business.
- Trade fees will not be applicable for any person holding a Tourist Enterprise License and Global Business Companies not having a physical office in Mauritius.

CEMENTING OUR JURISDICTION AS A SAFE DESTINATION FOR BUSINESSES

REGULATORY IMPACT ASSESSMENT (RIA)

Under the 'Improving the Business and Investment Climate Project, funded by the European Union, the OECD is assisting Mauritius in devising and setting up a RIA framework suitable for the Mauritian context.

The project officially started in September 2019, with a first fact-finding mission led by the OECD to understand the law-making process in Mauritius and hold consultations with stakeholders. A core group comprising of public and private sector representatives, as well as law makers was constituted to steer the project.

In December 2020, the OECD submitted its final recommendations and a proposed action plan for establishing a RIA framework in Mauritius, including the governance structure to be instituted and the creation of a RIA oversight body. These recommendations were successfully considered by Government and the introduction of a Regulatory Impact Assessment Bill as well as the creation of a RIA office under the purview of the Prime Minister's Office was formally announced in the 2021/22 National Budget.

REGULATORY REVIEW

While Mauritius is ranked as one of the most business-friendly economies globally by the World Bank in its Doing Business Report 2020, there is need to continuously improve on our competitiveness and maintain our position as a business-friendly destination. Government since 2020 embarked on a vast Regulatory Review project which implies a fundamental review of our legal and regulatory framework for doing business. The Regulatory Review Project comprises 3 objectives:

An overall assessment of the enabling business environment in Mauritius to provide recommendations to improve the general business climate.

A review of the regulatory framework as regards to the licensing requirements, institutional arrangement, monitoring and enforcement to operate a business in the four key sectors of the economy:

- a. Land Use and Construction.
- b. Trade & logistics.
- c. Tourism.
- d. Healthcare and Lifesciences

A proposal for a model which best fits Mauritius for the setting up of the Single Licensing Agency under the Economic Development Board.

Agriconsulting Europe S.A, in consortium with International Economics Consulting Ltd, was appointed as consultant for this project and work started in August 2020. In view of the fundamental importance and complexity of this project, Cabinet approved the setting up of a An Inter-Ministerial Committee chaired by the Honourable Prime Minister and 5 Sub-committees focused on each component of the Regulatory Review Exercise.

The consultants completed their assessment and formulated preliminary recommendations one of which is the setting up of a Business Regulatory Review Council (BRRC), which was announced in Budget 2021/22.

JUDICIAL WORKSHOPS ON INSOLVENCY

As part of the Reimbursable Assistance Service (RAS) between EDB and the World Bank on Doing Business, two workshops were planned on insolvency targeted for Judges. The first workshop was held in January 2019 and a second was organised in April 2021. The virtual 4-day judicial workshop which was led by eminent Judges from the UK, Canada and New Zealand covered elements of insolvency including:

- Processes for corporate liquidation and corporate restructuring
- Cross-border corporate insolvency
- Voluntary administration
- Arrangements and compromises under the Companies Act 2001
- Asset tracing
- Alternative Dispute Resolution in corporate insolvency

DISSEMINATION WORKSHOP ON PROCUREMENT

The EDB in collaboration with the Public Procurement Office (PPO) organised a one-day dissemination workshop on Public Procurement Laws and Policies in February 2021. The workshop was attended by more than 200 participants comprising private sector operators, public officials, policymakers. The objectives of the workshop were inter-alia to disseminate the latest legislative amendments brought to the public procurement framework in Mauritius, the various processes and institutional set-ups in place and addressed the concerns and suggestions of private sector operators.

TRADE FACILITATION

The long-standing collaboration between the EDB, Customs, the Mauritius Ports Authority, and other Public Sector agencies (PSAs) to streamline and expedite import/export procedures yielded some important achievements during the 2020/21 financial year. Notable measures to facilitate trade include:

- Reducing the cut-off time for completing border compliance formalities for full export containers from 24 to 8 hours (April 2020).
- The operationalisation of a Coordinated Border Management unit at Customs to expedite inspection and clearance of controlled goods.
- The continued deployment of the National Single Window (also called Mauritius TradeLink) across several Public Sector Agencies. TradeLink is an online platform for the application and determination of import permits and subsequent customs clearances.
- The ongoing implementation of the Maritime Single Window, under the aegis of the Mauritius Ports Authority. Announced in last year's budget (2020/21), the purpose of this system is to provide for online submission and determination of vessel arrival and departure clearances. BDO was appointed as project manager in November 2020 and delivery of the system is due in 2022.

- Finally, the setup of an Integrated Single Window (ISW) as announced in the Budget 2020-2021, for the integration in one system all activities related to port and management, such as customs declaration and clearance, import/export permitting, linkage with the Maritime Single Window, vessel and cargo management, and others, will be implemented by the Mauritius Network Services.

BUDGET 2021/22 MEASURES

Maintaining the pace of reforms is critical to Government to ensure the survival and recovery of the economy especially in the context of the Covid-19 pandemic. The Budget 2021/22, while accentuating the need for more automation and streamlined process, lays emphasis on the need for an enhanced effectiveness of the justice system, streamlined insolvency procedures and facilitate access to finance. Some of the measures includes:

- The setting up of the BBRC under the aegis of the Ministry of Finance, Economic Planning and Development and assisted by the EDB. It will aim to address regulatory and administrative reform needs, advise Government on regulatory policy.
- The review of the Mauritius Fire and Rescue Service (Fire Safety Plan and Fire Certificate) Regulations 2018.
- The review of court procedures in view of expediting commercial disputes and upgrading of the E-Judiciary system.
- The development of a new Companies and Businesses Registration Integrated System, incorporating the front end and the back end of the system be developed to cater for all the activities of the CBRD (CBRIS version 3.0).
- Development of a Notice-Based registry under the Mauritius E-Registry system and review of the legal framework to facilitate access to finance.
- The introduction of an Insolvency (Amendment) Bill to factor in new developments in insolvency practices.
- The implementation of an online application systems by the CEB and CWA to expedite electricity and water connections, respectively.
- The introduction of a Trusted Trader Programme where importers with a good history of compliance will be able to register for a Certificate allowing them to import goods without the need for permits for each import.
- The extension of the 50% reduction in port dues and terminal for 2 more years.

BUSINESS SUPPORT FACILITY

With a view to providing a more personalized service to the business community, EDB has set up a Business Support Facility (BSF). All businesses dealing with the EDB will be assigned an Account Manager who will be responsible to assist, support and facilitate his respective customer. The BSF will receive all queries and needs for assistance from investors, channel them to respective Account Managers and follow up to ensure that queries and requests for support are attended effectively. The BSF will also be the central point for registration and certification of businesses at the EDB. The BSF successfully launched its initial operations with the support to businesses affected by the Covid-19 pandemic and their applications for support from the Development Bank of Mauritius (DBM).



WORK & LIVE IN MAURITIUS

The Financial Year 2020/2021 witnessed significant changes in the non-citizen's work and live space in Mauritius. Policy changes announced in the 2020/2021 national budget and triggered by the impact of the Covid-19 pandemic, followed by legal amendments through the Finance (Miscellaneous Provisions) Act 2021, brought significant amendments to the conditions for Occupation Permit, Residence Permit, and Permanent Residence Permit. These measures were introduced to, firstly, retain investors who already in Mauritius and, secondly, make the Mauritian destination even more attractive for High-Net-Worth Individuals.

Subsequently, new instruments such as Premium Visa for the digital nomads were introduced in November 2020 to attract more non-citizens to Mauritius.

MAIN CHANGES TO THE WORK AND LIVE ENVIRONMENT

In the 2020/2021 National Budget, against a backdrop of uncertainty caused by COVID-19 pandemic which brought world economic activities to a halt, and aware of the major economic potential represented by foreign expatriates in the development of the country, bold measures were taken to attract and retain foreign talents, businesses and retirees as follows:

- The validity of an Occupation Permit for Investors and Self Employed and Residence Permit for Retired non-citizens was extended from 3 years to 10 years.
- The validity of Permanent Residence Permit was extended from 10 years to 20 years
- Initial investment requirement for Investor category was reviewed downwards from USD 100,000 to USD 50,000.
- The basic salary threshold of MUR 30,000 under the Professional category was extended to Pharmaceutical Manufacturing and Food Processing.
- Professionals/Retired non-citizens are authorised to hold shares and undertake investment in Mauritius provided that no executive position is held, and no employment benefit being derived.
- Parent of OP holder have been made eligible for a residence permit as dependent.
- The minimum investment amount for an investor to obtain a 20-Year Permanent Residence Permit was reduced from USD 500,000 to USD 375,000.

IMPROVING THE SERVICE LEVEL

In response to Covid-19, the EDB adapted its strategies to provide a more customized services to non-citizens already holding a permit, and those aspiring for a residency permit in Mauritius.

The Work and Live Unit at the Sterling House underwent refurbishment work to improve customer's experience. A Marketing Unit has been set up to promote the Mauritian residency offer, through several means. A new user friendly and dedicated residency portal has been implemented.

In addition, an After Care Services Unit has been set up to assist holders of residency permits in ensuring that OP conditions are met and monitored. The Unit is also responsible to accompany all applicants who have been issued with an in-principle approval during the process until issue of their permits. In addition, with the extension of validity period of residency permits, EDB implemented an information exchange mechanism with the Mauritius Revenue Authority to assess the performance of investors and professionals through regular monitoring of their business performance.

A Policy Unit has also been put in place, focusing on implementation of changes, monitoring the performance of new policies, analyzing issues faced by non-citizens, and advocating reforms to Government. The Unit also follows all applications made by non-citizens, until determination is made by the Joint-Committee.

FACTS AND FIGURES

(a) Active Occupation Permits and Residence Permits as of 30 June 2021

Category	Grand Total
Investor	918
Professional	4347
Self-employed	431
Retired	758
Grand Total	6454

Table 4: Active Occupation Permits and Residence Permits as of 30 June 2021

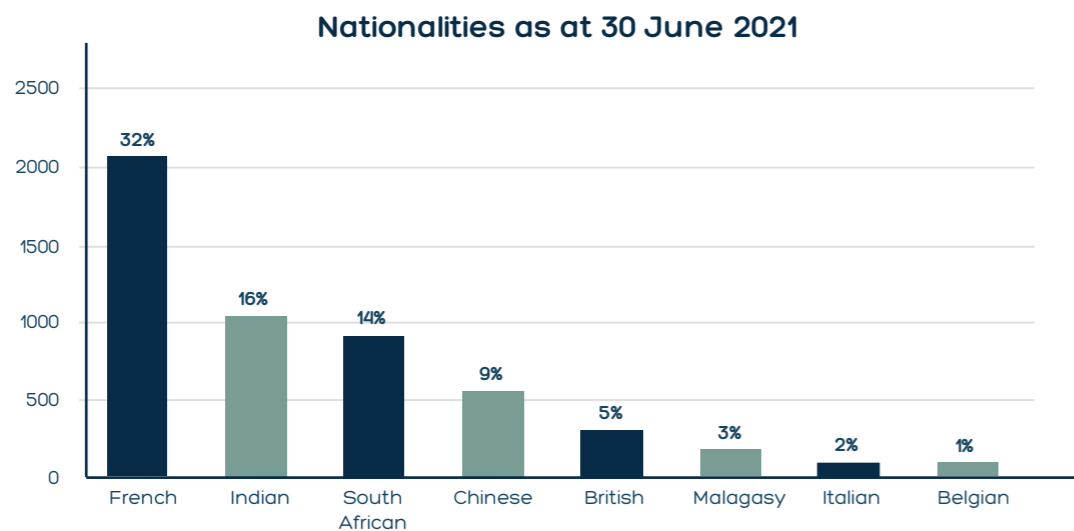


Figure 9: Nationalities of active OP and RP holders as of 30 June 2021

Occupation Permits issued bby sector of activity for the period January 2014 to 30 June 2021

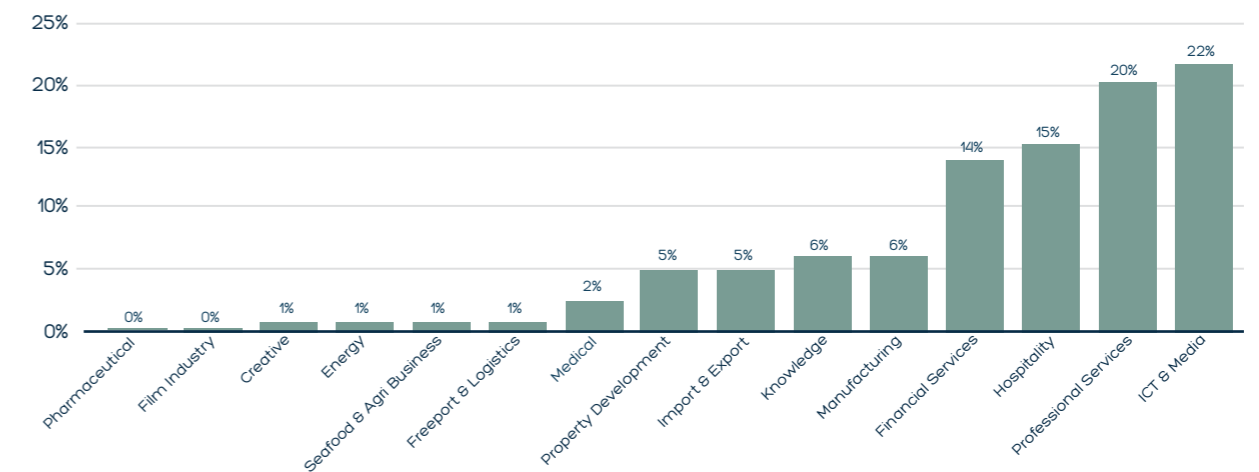


Figure 10: Occupation Permits issued by sector of activity (January 2014 to June 2021)

As of 30 June 2021, in addition to the main permit holders, there were 5138 dependents issued with a residence permit to live in Mauritius.

In addition, there were 427 Permanent Resident Permit holders as of 30th June 2021.

(b) Active OP/RP holders whose permits were extended following budgetary announcements

Category	Grandfathered to 10 years
Investor	764
Self-employed	358
Retired	668
Grand Total	1632

Table 5: OP / RP holders grandfathering

PREMIUM VISA

The year under review has also witnessed the introduction of the Premium Visa in October 2020 in a bid to adapt to evolving tourism demand. The Premium Visa, targeting mainly remote workers, long stay tourists and retirees, is valid for a period of one (1) year with an option to renew.

As at June 2021, 510 applications were approved. In terms of demand, France, UK, India, South Africa, and Germany remain the main markets. Applicants are mainly seeking to work remotely as professionals/consultants in technical fields (digital nomads) or as senior citizens seeking to retire in Mauritius.

As part of its marketing drive, EDB has created a dedicated webpage and is consistently leveraging on its social media platforms and dedicated webinar sessions targeting different key markets to disseminate information on the visa. Sponsored adverts and paid-for digital campaigns are also being rolled out across digital platforms, reputable international press, and travel blogs.

CHANGES FOLLOWING THE 2021/2022 NATIONAL BUDGET

The 2021/2022 National Budget brought further changes to the non-citizens' work and live environment in Mauritius. Amongst others:

- The validity period of an Occupation Permit for professionals have been extended up to 10 years.
- Professionals have the possibility to switch employment upon satisfying conditions put in place.
- The MUR 30,000 threshold for professionals has been extended for Fund Accounting and Compliance Services in the Global Business Sector.
- Waiving of the maximum age limit of 24 years for dependent children.

In addition, EDB will be implementing several strategies to market residency in Mauritius, including the development of a dedicated Residency website, setting up of a dedicated concierge facility and organisation of major residency events.



CORPORATE GOVERNANCE REPORT

PRINCIPLE 1: GOVERNANCE STRUCTURE

The Economic Development Board (EDB) is a statutory body set up under 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. a Chairperson, to be appointed by the President on the advice of the Prime Minister after consultation with the Leader of the Opposition;
- b. a Vice-chairperson, to be appointed by the Prime Minister; and
- c. not less than 6 and not more than 8 other 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.

During the Financial Year 2020/2021, the EDB operated under the purview of the Ministry of Finance, Economic Planning and Development.

On 13th March 2020, the Board of the EDB was reconstituted, with the nomination of a new Chairman by the President of the Republic, nomination of a new Vice-Chairperson, re-conduction of 3 existing Board members, and the nomination of 5 new Board members.

EDB views Good Corporate Governance practices as an integral part of performance for enabling success. As a parastatal body wholly owned by Government and falling under the aegis of the Ministry of Finance and Economic Planning and Development, the organisation 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 due care and diligence, and in the best interest of EDB and its stakeholders.

MISSION

Achieving the ambition of the Mauritian Economy through strategic economic planning and promotion.

VISION

Creating a sustainable high-income economy with opportunities for each and every citizen through economic planning and promotion.

VALUES

The core values that will support EDB's vision and shape its culture are Integrity, Commitment, Accountability, Result-oriented and Excellence (ICARE).

GOALS

- Fostering development of the economy through sustainable and inclusive growth promoting activities,
- Ensuring economic independence of the economy,
- Efficient economic and strategic planning, investment and trade promotion policies and plans,
- Attracting foreign and local investments in advanced technology industries and skill-intensive services,
- Promoting, facilitating and assisting in the development of industries and services,
- Upgrading skills and technological levels through new technology, automation, training, research and product development activities and
- Creating Special Purpose Vehicles as necessary to perform economic activities relevant to its mandate.

ETHICS

EDB honours its responsibility in providing an ethical and safe working environment for its personnel. All EDB employees must adhere to stringent ethical standards and the highest level of professionalism at all times. As such every employee is informed 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 repute 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 is developing an internal Enterprise Risk Management system based on COSO framework which will include a handbook detailing all its policies and procedures.

EDB has subscribed to a medical insurance cover for its entire staff as well as 24-hour insurance cover in case of accidents for its entire staff.

EDB has developed a Human Resource Policy Manual that establishes the standard of conduct and ethics for its employees and provides guidance on employees' professional obligations.

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.

STRATEGIC DIRECTION

In light of the ever-changing socioeconomic environment, the EDB must prepare itself to be 'in time for the future' and realise what new economic perspectives would deploy most of the country's unique strengths and at the same time, ease the effects of its shortcomings. The EDB must put in place the conditions to make sure investments and export earnings keep flowing year in, year out.

Strategic Objective

Building on the constraints that the economy is facing as well as on the opportunities that may arise with respect to trade, the following objectives have been elaborated for 2021-2025:

- To raise Foreign Direct Investment by 45% from 2020/21 to 2025
- To contribute to the increase total exports of goods by 33% from 2020/21 to 2025
- To contribute to the rise in the export of services by 50% from 2020/21 to 2025

Strategy	Enabler
Increase FDI in emerging and existing sectors	Promotion and facilitation Marketing campaigns
Market diversification to increase exports	Leveraging on new trade agreements Capacity building of enterprises
Sector consolidation and policy advocacy	Stakeholder engagement
Improve the ease of doing business	Regulatory, administrative reforms

PRINCIPLE 2: THE STRUCTURE OF BOARD AND ITS COMMITTEES

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 Office within certain limits as authorised by the Board.

BOARD OF DIRECTORS



Mr. Hemraj Ramnial, CSK
Chairman of the Board

Mr. Hemraj Ramnial, CSK, has over 33 years of professional experience in the Mauritian Manufacturing Industry. He was previously the Director of Esquel Group of Companies, a World leader for Textile and Garments based in Hong Kong. Prior to joining the manufacturing sector, Mr. Ramnial worked in the education and the banking sector. He also served as the President of the Mauritius Export Association (MEXA) in 2013 and was Board Member of Enterprise Mauritius from 2013 to 2014. He also served as Senior Advisor, Ministry of Industry & Commerce in 2016-17. Mr. Ramnial was the key representative of private sector in negotiations for the renewal of the AGOA until 2025. He was elevated to the rank of the Commander of the Star and Key of the Indian Ocean (CSK) in 2014 for outstanding services rendered in the industry sector.



Mr. Issa Mohamad Soormally
Vice-Chairman

Mr Soormally is a fellow Director of the Mauritius Institute of Directors (MioD) and has also occupied the post of Deputy Governor of Central Bank of Mauritius. As a seasoned commercial banker and regulator, he has held various positions within local and international organizations. He has a strong proven track record in International banking in various jurisdictions, such as France, Luxembourg, Reunion Island, Kenya, Dubai and South Africa. He was instrumental in assisting the Central Bank of Seychelles for the remediation of BMI Seychelles. Moreover, he set up a full-fledged branch of Al Salam Bank of Bahrain (ASBB), as CEO, in the Republic of Seychelles. He is a regular participant and speaker, representing Mauritius at various International Finance Conferences and events.



Mr. Dipak Chummun
Board Member

Mr. Chummun is currently the Group Chief Finance Officer at IBL Ltd. He has had a 25-year international career span in consulting, investment banking and finance and has held regional and group head roles with Standard Chartered, Barclays, Emirates NBD and Deutsche Bank in London, Hongkong, Dubai, Singapore, and Frankfurt. Before joining IBL in 2015, he was finance director for strategic financial planning at Deutsche Bank global headquarters. Mr Chummun holds directorships with several PIE's and listed companies in Mauritius, is a director of the Stock Exchange of Mauritius and a former International Advisory Board Member of the ICAEW in UK.



Mr. Terence Charles Smith
Board Member

Mr. Terence Charles Smith is the Chief Executive Officer of Fundsmith, a fund management company based in Mauritius, which manages £25 billion on behalf of some of the world's largest and most sophisticated wealth managers and private banks as well as for prominent families, charities and other endowments. Mr. Smith became a stockbroker with W Greenwell & Co in 1984 and was a top-rated bank analyst in London. He was also a best-selling author for his book titled 'Accounting for Growth'. He has acquired vast experience in his roles as Head of Research at UBS Philips & Drew and Chief Executive Officer at Tullett Prebon. In 2012, he was appointed as Member of the New Zealand Order of Merit for services to New Zealand-UK relations following the success of his campaign to commemorate the New Zealander, Air Marshal Sir Keith Park.



Mrs. Catherine Gris
Board Member

Mrs. Gris currently acts as Independent Non-Executive Director in the Boards of UBP, EML, Trimetys and Cap Tamarin.

She serves as Special Adviser to the Association of Mauritian Manufacturers (AMM), where she was also former CEO from 2009 to 2018. She was involved in the creation in 2013 of the Mauritian Umbrella Brand of local products "Made in Moris". Between 1998 and 2006, she served as Secretary General of Association pour le Développement Industriel de la Réunion (ADIR). In 2013, Mrs. Gris was recognised by France to the rank of "Chevalière de l'Ordre du Mérite".



Mr. Marday Venketasamy, GOSK
Board Member

Mr. Venketasamy is currently the Managing Partner of Filao Group of Companies, engaged for over 45 years in the manufacture of luxury leather products for exports. He also serves as the President of the Mauritius Chamber of Commerce and Industry (MCCI) since April 2018 to date. At the international level, he presently serves as the President the COMESA Business Council and is the Honorary Consul for United Republic of Tanzania in Mauritius since 2010. He is also the First Vice President of Union of Indian Ocean Chambers of Commerce and Industries (UCCIOI). He was elevated in Mauritius to the rank of Commander of Star and Key of the Indian Ocean (CSK) in 1996 for outstanding services to industry and recognized in 2011 by France to the rank of Chevalier de la Légion d'Honneur. Mr. Venketasamy was elevated to the rank of Grand Officer of the Order of the Star and Key of the Indian Ocean (GOSK) in 2019 for significant contribution in the field of business.



Mr. Mathieu Mandeng
Board Member

Mr. Mandeng is the CEO of Standard Chartered Bank Mauritius and chairs the board of four Standard Chartered Bank Private Equity Funds investing in Botswana, China, Hong Kong, India, Mauritius, Nigeria, South Africa and Singapore. He is currently serving as Vice Chairman of the Mauritius Bankers Association. He has over 20 years of experience in the banking and financial services sector with an experience in driving record business performance. He also currently serves as Non-Executive Director of Standard Chartered Cameroon and Cote D'Ivoire. Mr. Mandeng was actively engaged in developing the trade and investment between Singapore and West Africa while he was CEO of Standard Chartered Cameroon, his previous position before being appointed in Mauritius. Prior to the EDB, he was already appointed as the Chairman of the Global Business Committee of the association, a director of Global Finance Mauritius (GFM) and a member of the Economic Committee of Business Mauritius. He was also the chairman of the Corporate Finance Task force and the vice chairman of the Sustainable Finance Committee in the context of the Financial Services Blueprint design and implementation. Prior to his banking experience, he reckoned 10 years' experience in the mining and metal industry in France.



Mr. Kevin Louis Neil Obeegadoo
Board Member

Mr. Obeegadoo boasts more than 25 years of consulting experience on business strategy and value creation, helping prominent institutions and individuals, from across the region and around the world, to successfully navigate challenges. He has worked in the City of London and Paris prior to relocating to Mauritius, assisting businesses across diverse sectors including Financial Services, IT, Media, and Real Estate. He continues to motivate vision, innovation, development and growth, for his clients' businesses and as Member of Boards of unregulated and regulated entities.



Mr. Premode Neerunjun
Board Member

Mr. Neerunjun holds the post of Permanent Secretary at the Prime Minister's Office and has over forty years of experience in the Public Sector. In addition, he has also been called upon to serve as Board Director in a number of statutory bodies/Government owned companies on a part-time basis. He holds a Graduate Diploma in Business from Curtin University (Western Australia) and a BSc (Hons) in Economics & Management from University of London. He also holds a Master's Degree in Public Policy and Administration from the University of Mauritius.



Mr. Visvanaden Soondram
Board Member

Mr. Visvanaden Soondram is currently Deputy Financial Secretary at the Ministry of Finance, Economic Planning and Development. Throughout his rich career, he has held several key positions within that same Ministry. He holds a Masters Degree in Finance and is a Fellow of The Association of Chartered Certified Accountants. He is also the Chairperson of the SBM Bank (Mauritius) Ltd.



Mr Jean Paul Emmanuel Arouff
Board Member

Mr Arouff is currently the Senior Advisor and Director of Strategy at the Ministry of Finance. He has over 20 years of experience in journalism, specialised in reviewing economic and financial markets. He was previously the Editor-in-Chief of Business Magazine, a leading economic news publication in the region, and acted as the country correspondent for the international news agency Reuters on economic and financial matters. In January 2020, he was appointed as Senior Advisor and Director of Communications at the Prime Minister's Office. Mr. Arouff is a Director of Landscape (Mauritius) Ltd, SBM Holdings Ltd, SBM (Bank) Holdings Ltd, SBM Bank (Mauritius) Ltd and SBM (NFC) Holdings Ltd



Ms Maheswatee Madhub
Board Member

Ms Maheswatee Madhub who is presently the Senior Chief Executive of the Ministry of Housing and Land Use Planning holds a BSc Major in Biochemistry and Botany from the Australian National University, a Diploma in Public Administration and Management from the University of Mauritius and a Certificate on "La Bonne Gouvernance et Réforme de l'Etat from Institut Administration Publique/l'Ecole Nationale d'Administration.

She started her career in the Public Service in 1988 as Assistant Secretary. She has wide experience in Public Service, having served in the following Ministries namely: Ministry of Agriculture and Natural Resources, Office of the President, Cabinet Office, Ministry of Finance and Economic Development, Prime Minister's Office (External Communications Division) and Ministry of Industrial Development, SMEs and Cooperatives. She has also served as Secretary to the Electoral Supervisory Commission and Electoral Boundaries Commission and has served as Chairperson/Director in a number of Statutory Bodies and Government owned Organisations.

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, the 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 01st July 2020 to 13th March 2021, the Board was assisted by 4 sub-committees.

THE HUMAN RESOURCE COMMITTEE

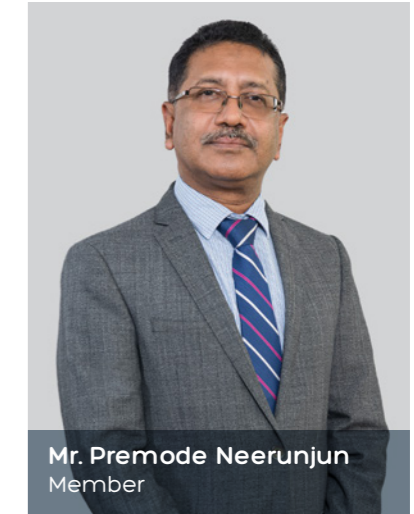
The following Board Members constituted the committee for the period:



Mr. Issa Mohamad Soormally
Chairperson



Mrs. Catherine Gris
Member



Mr. Premode Neerunjun
Member

THE AUDIT COMMITTEE

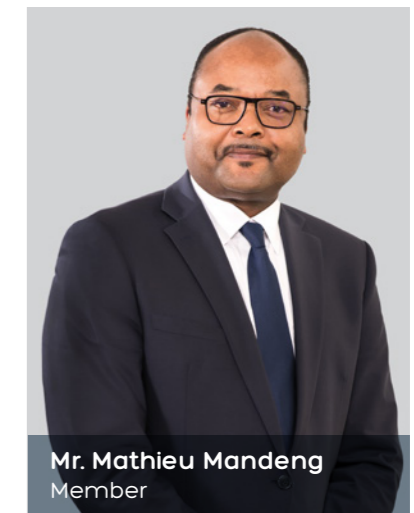
The following Board Members constituted the committee for the period:



Mr. Terence Charles Smith
Chairperson



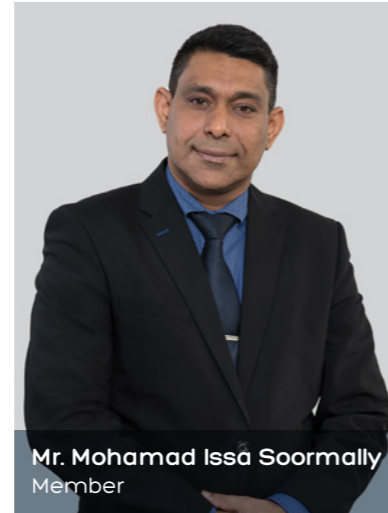
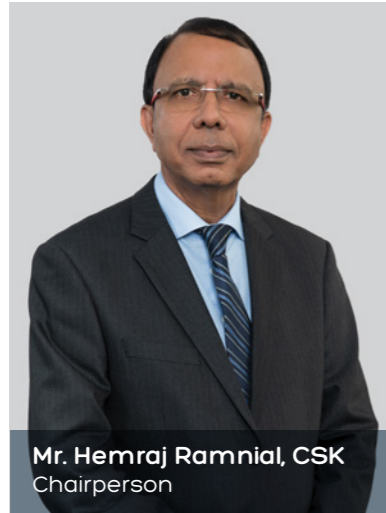
Mr. Dipak Chummun
Member



Mr. Mathieu Mandeng
Member

THE IMPLEMENTATION AND MONITORING COMMITTEE

The following Board Members constituted the committee for the period:



THE STRATEGIC ECONOMY AND BUSINESS POLICY COMMITTEE

The following Board Members constituted the committee for the period:



Board Member Attendance to Board Meetings & sub-committees for the period 01st July 2020 to 30th June 2021

Name	No of Sittings	No of Sittings HR	No of Sittings IMC	No of Sittings AC	No of Sittings ESBP
Mr Hemraj Ramnial	12/12		04/04		02/05
Mr Mohamad Issa Soormally	12/12	07/07	04/04		05/05
Mr Terence Charles Smith	11/12			05/05	
Mr Kevin Louis Neil Obeegadoo	11/12				05/05
Mr Marday Venkatasamy	12/12				05/05
Mrs Catherine Gris	11/12	07/07			
Mr Dipak Chummun	11/12			05/05	
Mr Mathieu Batoum Mandeng	11/12			04/05	
Mr Premode Neerunjun	07/12	03/07			
Mr Rajendra Tagore Servansingh	12/12				05/05

NOTE:

IMC - Implementation and Monitoring Committee
 HR - HR Committee
 AC - Audit Committee
 ESBP - Economic Strategy and Business Policy

PRINCIPLE 3: THE DIRECTORS APPOINTMENT PROCEDURES

The Chairperson is appointed in accordance to section 6 (2) (a) of the Economic Development Board Act 2017 by “the President on the advice of the Prime Minister after consultation with the Leader of the Opposition”

The Vice Chairperson is appointed in accordance to section 6 (2) (b) of the Economic Development Board Act 2017 by the Prime Minister”

Other members are appointed in accordance to section 6 (2) (ba) to (c) by Prime Minister.

For the period 1st July 2020 to 30th June 2021, the Board was composed of the following members:

Name of board member	Function	Date of appointment
Mr. Hemraj Ramnial, CSK (Chairman)	Ex-Director Esquel Group of Companies	13 th March 2020
Mr Mohamad Issa Soormally (Vice-Chairman)	Managing Director Toukan Corporate Services Ltd	13 th March 2020
Mr Marday Venketasamy, GOSK	President Filao Ltee	13 th March 2020
Mrs Catherine Gris	Independent Non-Executive Director in the Boards of UBP, ENL, Trimetys and Cap Tamarin	13 th March 2020
Mr. Dipak Chummun	Chief Finance Officer IBL Ltd	13 th March 2020 (Reconducted)
Mr Premode Neerunjun	Permanent Secretary Cabinet Office Prime Minister’s Office	13 th March 2020
Mr Mathieu Mandeng	Chief Executive Officer, Standard Chartered Bank (Mauritius) Limited	13 th March 2020
Mr. Terence Charles Smith	Chief Executive Office Fundsmith	13 th March 2020 (Reconducted)
Mr. Rajiv T. Servansingh	Chairman MindAfrica	13 th March 2020 (Reconducted)
Mr. Kevin Louis Neil Obeegadoo	Strategy & Value Creation Specialist	13 th March 2020

The member hold office for a period of 3 years on such terms and conditions as the Prime Minister may determine and are eligible for reappointment as per section 6 (4) of EDB Act.

PRINCIPLE 4: THE DIRECTORS’ DUTIES, REMUNERATION AND PERFORMANCE

The Board of Directors' key purpose is to lead and control the EDB:

- To approve, monitor, review and evaluate the implementation of strategies, policies, and business plans.
- To prepare a statement of corporate objectives.
- To ensure that the organisation complies with the highest standards of governance and that it has an effective system of controls in place so that risks can be properly assessed and managed.
- To ensure that communications of all material information to the stakeholders be made in a transparent manner.
- The Board discharges the above responsibilities either directly or through Sub Committees of the Board for more in-depth analysis and review of various issues while retaining its responsibility for all policy matters. The Chairman of each Committee periodically places reports of its proceedings before the Board for approval/information, as may be relevant.

In addition, the Board is committed to ensure as far as reasonably possible, and in accordance with legislation in force, the safety and health of its staff. To fulfill their responsibilities, Board members have unimpeded access to accurate, relevant and timely information.

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.
- The 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
- The selection of appropriate accounting policies supported by reasonable and prudent judgments.
- The Code of Corporate Governance as applicable to State-Owned Enterprises has been adhered to.

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

DUTIES OF BOARD DIRECTORS

Each Board director has the fiduciary duty to:

- exercise a reasonable degree of care, skill and diligence;
- act in good faith and in the best interests of the Institution and not for any other purpose;
- act honestly at all times and must not place themselves in a situation where personal interests conflict with those of the Institution;
- exercise independent judgement at all times;
- devote sufficient time to carry out their responsibilities and enhance their skills;
- promote and protect the image of the Institution; and
- owe the Institution a duty to hold in confidence all information available to them by virtue of their position as a Board member.

Directors' remuneration (gross of PAYE) are fixed and paid in accordance with section 6 (5) of the Economic Development Board Act 2017. Details of Director's fees paid from July 2020 to June 2021 are given below:

Name	Board Fees (Rs)	Sub Committee Fees (Rs)	Total Fees (Rs)
Mr Hemraj Ramnial	1,560,000	240,000	1,800,000
Mr Mohamad Issa Soormally	1,020,000	600,000	1,620,000
Mr Terence Charles Smith	480,000	240,000	720,000
Mr Kevin Louis Neil Obeegadoo	480,000	135,000	615,000
Mr Marday Venketasamy	480,000	135,000	615,000
Mrs Catherine Gris	480,000	135,000	615,000
Mr Dipak Chummun	480,000	120,000	600,000
Mr Mathieu Batoum Mandeng	480,000	120,000	600,000
Mr Premode Neerunjun	480,000	120,000	600,000
Mr Rajendra Tagore Servansingh	480,000	120,000	600,000
TOTAL	6,420,000	1,965,000	8,385,000

RELATED PARTY TRANSACTIONS

Related party transactions and key risks areas have been fully disclosed in the financial statements.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL

RISK MANAGEMENT

EDB is aware that with a proper risk management and internal control system, it is better to understand the risks it is likely to be exposed to, put controls in place to counter threats, and effectively pursue their objectives. They are therefore an important aspect of an organization's governance, management, and operations.

BDO has been appointed as internal auditor since 2018. The objectives are to assist members of the Board, the management and the Board committees in the effective discharge of their responsibilities by furnishing them with analysis, appraisals, recommendations, counsel, information concerning the activities reviewed, and by promoting effective controls and processes.

PRINCIPLE 6: REPORTING WITH INTEGRITY

The full set of Annual Report is published on the organisation's website (www.edbmauritius.org).

The financial statements of the Economic Development Board have been prepared on a going concern basis and in accordance with the Statutory Bodies (Accounts and Audit) Act and in line with International Public Sector Accounting Standards (IPSASs).

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. EDB promotes a work environment with minimal paper utilization by the revamping of the existing CRM system.

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, in line with its commitment to providing and maintaining a healthy, safe, and secure working environment recruited a Health and Safety Officer (HSO) 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 was appropriately sanitised and warning signage in place for guiding and informing employees and visitors about hygienic precautions.

EDB is keeping itself alert to protect its employees. Renewed attention is being given to safety procedures especially while receiving visitors from abroad as from reopening of borders.

PRINCIPLE 7: AUDIT

The Board of EDB is fully responsible for the development and execution of an overall vigorous risk management framework. The Board has delegated its oversight responsibility to the Audit & Corporate Governance Committee. Senior Management is responsible for designing a sound risk governance system and implementing it effectively. Senior management works in close collaboration with the Audit & Risk Committee.

INTERNAL RISK MANAGEMENT

SCOPE OF WORK - AREAS AUDITED IN 2020-2021

For the financial year ending 2020/2021, BDO carried out four internal audit assignments including one follow-up for EDB. The assignments were performed in accordance with the internal audit plan that was presented to and approved by the Audit Committee. The final internal audit reports with management comments and action plans were submitted by BDO to the Audit Committee after discussions of findings with management of EDB.

The following auditable areas were reviewed from July 2020 to June 2021:

- Follow-up of: Procurement Review, Post Merger Review, Occupational Review, Talent Management Review.
- Review of financial controls over one sample scheme.
- General Data Protection Regulation Review (GDPR).
- Information Technology Review (underway).

In addition to the internal audit assignments performed by BDO, the in-house audit and compliance facilitated various departmental risk assessment workshop. A departmental risk register with the corresponding action plans have been built up accordingly. The risk register will have to be updated on a quarterly basis by each concerned department on process changes and emerging risks.

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 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 emphasise our commitment for a zero-tolerance culture against corruption.

PRINCIPLE 8: RELATIONSHIP WITH KEY STAKEHOLDERS

The Board of Directors of EDB is fully committed to achieving and sustaining the highest standards of corporate governance with the aim of maximizing long term value for all stakeholders. The Board is committed to attaining high standards of corporate governance and recognizes the importance of good governance to safeguard continual growth, success and to boost stakeholders' confidence.

In addition, the Chairman and Vice-Chairman has regular meetings both with parent Ministry, industry operators, business associations and other stakeholders.

THE MANAGEMENT

MR. KEN POONOOSAMY

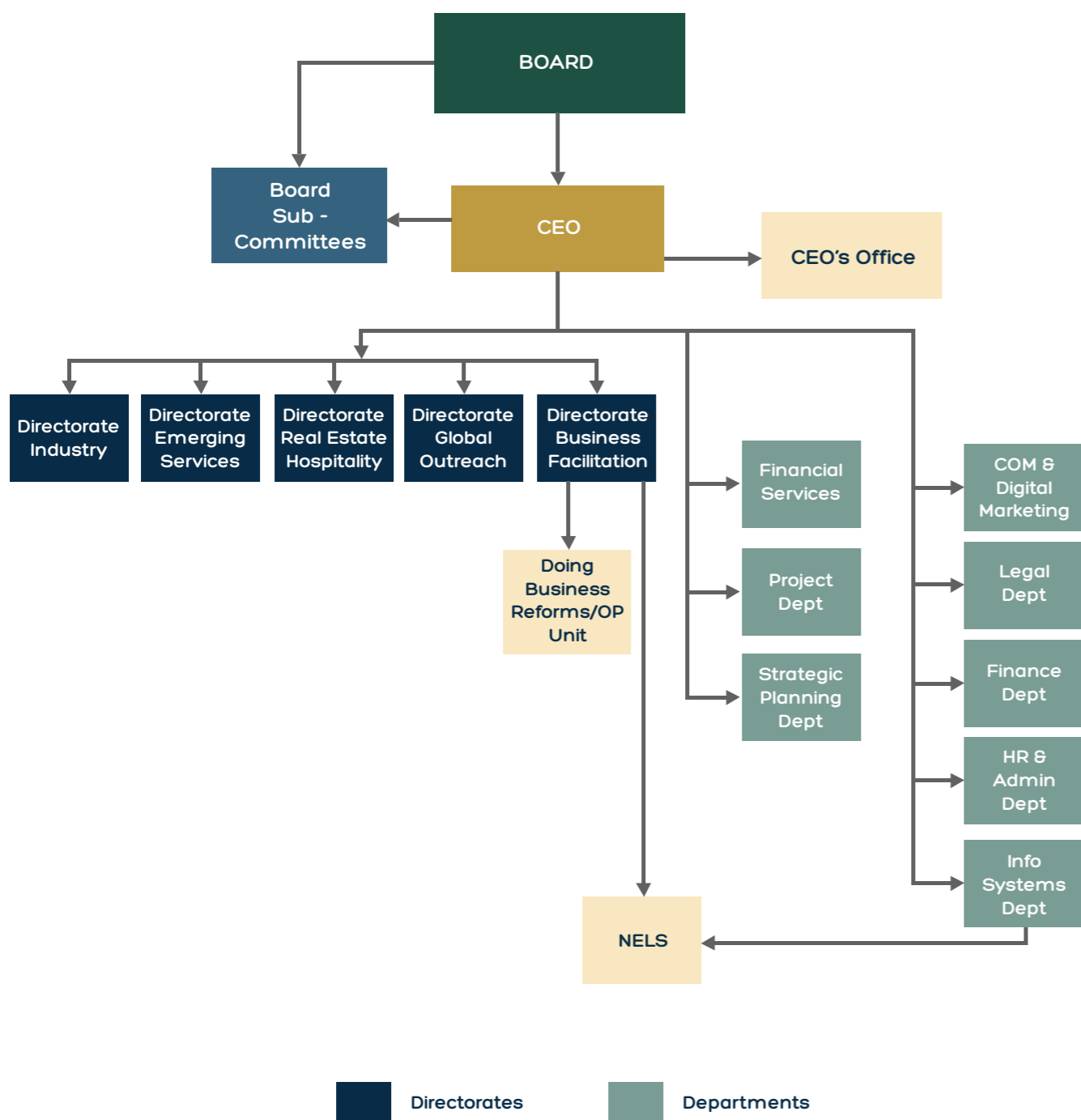
Mr. Ken Poonoosamy is Chief Executive Officer of the Economic Development Board. Mr. Poonoosamy has a solid academic and professional background with more than 20 years of experience in the fields of investment promotion and has implemented targeted promotional campaigns to access emerging markets with a view to spurring FDI inflows in the ICT/BPO, real estate, financial services, biotechnology, logistics, seafood, manufacturing and the Freeport sectors.

He is also a much-solicited adviser and speaker at international conferences on Africa-related investments, good governance for IPAs, ease-of-doing-business practices, shipping, seafood and logistics, amongst others. Moreover, he currently serves on the boards of several important government bodies. Mr. Poonoosamy also served in the Mauritius Freeport after having been in employment at Deloitte and Touche.

THE REMUNERATION FOR THE KEY MANAGEMENT PERSONNEL

The remuneration for the key management personnel of EDB amounted to MUR 56,066,658 for the period 01st July 2020 to 30th June 2021.

ORGANISATION CHART



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.

With a view to creating more fairness, equity and transparency, a Human Resources Committee has been set up where HR issues are discussed in all fairness.

EDB has a concise Recruitment and Selection Policy whereby best talents are recruited. Furthermore, EDB adopts a structured and transparent recruitment process to help the organisation to integrate its employee-retention measures, thereby fostering growth for itself.

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

For the period from 1st July 2020 to 30th June 2021, EDB recruited 23 officers while 8 officers left the organisation.

REMUNERATION POLICY

We are an equal opportunity employer, and we are committed to attracting and retaining the best people. We believe that our people are the source of our success. We aim at motivating and compensating them by providing a competitive salary package along with related benefits.

Priority in recruitment is given to employees within the organisation and selection is based on the principle of meritocracy.

We also welcome external candidates for job openings at all levels of the organisation, especially when and where specific skills and expertise are being sought.

The individual performance is regularly and objectively measured in line with agreed objectives in order to promote a performance culture while ensuring individual growth and development.

INFORMATION TECHNOLOGY

We are committed to a high level of project governance to ensure that resources allocated for information Systems and Technologies are effectively managed to deliver recognisable benefits and value to our stakeholders.

Through the implementation of the National E-Licensing System under its mandate, the EDB has conducted several digital transformations initiatives with ministries and other government agencies. Numerous e-licensing projects have been successfully operationalised during the past 2 years, and additional projects with other stakeholders are in-progress and in the pipeline.

The EDB has migrated to cloud-based services in order to modernise and enhance its electronic communications systems, office automation and collaboration systems. A contact centre and a dedicated IT Helpdesk service have been setup to enhance customer services.

EDB ensures that Information Systems and Information Technologies are regularly reviewed, assessed, and re-engineered to support the organisation in achieving its corporate objectives and to enhance business facilitation with the National E-Licensing System for government agencies.

The ISO 27001 Information Security Management System (ISMS) and policies are being implemented at EDB to manage information security risks, and protect the confidentiality, integrity, and availability of information assets of the organisation. The ISMS will be subject to ISO 27001 certification and audit upon completion of the implementation activities.

A Business Continuity Management System based on ISO 22301 BCMS standards is being elaborated to provide assurance of business continuity through on-line services, and to mitigate the impacts of eventual adverse and catastrophic situations.

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. The tentative timeline for achieving the first milestone (certification to ISO9001:2015) is May 2022.

FINANCIAL PERFORMANCE

The financial year under review shows a deficit of MUR 1.4 million from operations compared to a deficit of MUR 7.7 million for the year ending 30 June 2020. The total deficit, including Film Promotion Fund is MUR 24.7 million compared to a deficit of MUR 232 million for the previous year.

SUMMARY OF INCOME AND EXPENDITURE

Details	General Fund (MUR)		Film Promotion Fund (MUR)	
	Jun-21	Jun-20	Jun-21	Jun-20
Government Grant	733,256,376	571,749,518	211,000,000	-
Other Income/Tax under film Promotion Fund	8,018,292	15,559,728	83,224,960	-
Total Income	741,274,668	587,309,246	294,224,960	-
Expenditure	742,658,884	595,059,154	317,556,615	224,576,967
Deficit	(1,384,216)	(7,749,908)	(23,331,655)	(224,576,967)

INCOME

The composition of income is shown below:

	Jun-21 MUR	Jun-20 MUR
Income		
Government Grant	733,256,376	571,749,518
Self-Generated Income	4,436,208	7,953,292
Interest Income	2,388,753	7,206,885
Other income	1,193,331	399,551
Total Income	741,274,668	587,309,246

GOVERNMENT GRANT

The Government Grant for the year under review amounted to MUR 733.2 million compared to MUR 571.7 million for the last financial year.

EXPENDITURE

The total recurrent expenditure (including depreciation and provisions) for the period under review amounted to MUR 742.7 million compared to MUR 595.1 for the year ended 30 June 2020. The higher expenditure is mainly attributable to increase in employee remuneration following recruitment and increase in refund for Trade Promotion and Marketing Scheme, because of higher air freight cost.

The table below gives breakdown of the expenditure as reported in the Financial Statements:

	Jun-21 MUR	Jun-20 MUR
Expenditure		
Staff costs	256,560,296	235,002,446
Administrative expenses	80,238,600	73,132,288
Other administrative expenses	86,119,933	65,624,897
Promotion expenses	47,484,314	84,750,238
Capacity building	779,455	1,008,619
Refund schemes	260,925,526	124,614,674
Depreciation & amortisation	10,418,681	10,802,607
Finance cost	132,079	123,385
Total Expenditure	742,658,884	595,059,154

ACCUMULATED FUND

The accumulated fund of EDB comprises of General Fund and Film Promotion Fund. The status of the accumulated fund is shown below:

Fund	At 30 June 2021	
	(MUR)	At 30 June 2020 (MUR)
General	(58,770,970)	(36,802,901)
Film Promotion	173,208,742	196,540,397
Total	114,437,772	159,737,496



FINANCIAL REPORT



REPORT OF THE
DIRECTOR OF AUDIT

**On the Financial Statements
of the Economic Development Board
for the year ended 30 June 2021**

NATIONAL AUDIT OFFICE



NATIONAL AUDIT OFFICE

**REPORT OF THE DIRECTOR OF AUDIT
TO 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 2021 and the statement of financial performance, statement of changes in net assets/equity, cash flow statement and statement of comparison of budget and actual amounts 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 2021, and of its financial performance and cash flows for the year then ended in accordance with the International Public Sector Accounting Standards (IPSASs).

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.

Emphasis of Matter

I draw attention to Note 11 (a) to the financial statements, which disclosed that the net book value of the intangible assets, Right on Leasehold Land, amounted to Rs 19,398,114 as at 30 June 2021. The Economic Development Board has applied the International Financial Reporting Standards (IFRS) 16 to account the right of use of the leasehold land since no equivalent IPSAS addressed the right of use issue.

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Tel: 212 2096-97/ 211 0882 – Fax: (230) 211 0880

My opinion is not modified in respect of this matter.

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.

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 the 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.

As far as it could be ascertained from my examination of the relevant records:

- (a) the Economic Development Board has complied with the Statutory Bodies (Accounts and Audit) Act; and
- (b) no direction relating to the accounts has been issued by the responsible Minister to Economic Development Board.

Based on my examination of the records of Economic Development Board, nothing has come to my attention that causes me to believe that:

- (a) 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 could be ascertained from my examination of the relevant records.



C. ROMOOAH
Director of Audit

National Audit Office
Level 14, Air Mauritius Centre
PORT LOUIS

17 June 2022

FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

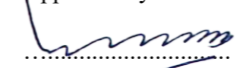
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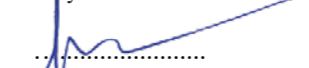
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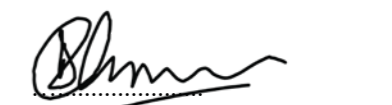
ECONOMIC DEVELOPMENT BOARD
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	<i>Notes</i>	<u>30-Jun-21</u>	<u>Restated 30-Jun-20</u>
ASSETS		MUR	MUR
Current assets			
Cash and cash equivalents	5	234,549,295	74,154,582
Financial assets	5 (i)	180,000,000	250,000,000
Receivables	6	2,563,873	6,273,977
Other receivables	7	152,167,556	22,526,241
		<u>569,280,724</u>	<u>352,954,800</u>
Non-current assets			
Other receivables- Car loan	8	337,500	975,000
Investments		10,487	10,000
Property, plant and equipment	9	37,469,754	37,226,460
Investment property	10	52,138,235	54,347,904
Intangible assets	11	19,984,530	21,081,495
		<u>109,940,506</u>	<u>113,640,859</u>
Total assets		<u>679,221,230</u>	<u>466,595,659</u>
LIABILITIES			
Current liabilities			
Payables	12	303,423,624	76,939,458
Short-term car loan	8	637,500	675,000
Employee benefits	13	13,652,362	12,827,711
		<u>317,713,486</u>	<u>90,442,169</u>
Non-current liabilities			
Payables	12 (i)	211,220	131,820
Long-term car loan	8	337,500	975,000
Employee benefits	13	166,739,252	136,038,530
		<u>167,287,972</u>	<u>137,145,350</u>
Total liabilities		<u>485,001,458</u>	<u>227,587,519</u>
Net assets		<u>194,219,772</u>	<u>239,008,140</u>
NET ASSETS/EQUITY			
Capital contributed by			
Government		79,782,000	79,782,000
General fund		(58,770,970)	(37,314,257)
Film promotion fund		173,208,742	196,540,397
Total net assets/equity		<u>194,219,772</u>	<u>239,008,140</u>

Approved by the Board of directors on 7 May 2022


Hemraj Ramnial, CSK
Chairman


Mohamad Issa Soormally
Vice Chairman


for Terence Charles Smith
Chairperson, Audit Committee

The notes on pages 98 to 120 form an integral part of these financial statements.

ECONOMIC DEVELOPMENT BOARD
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2021

	<i>Notes</i>	30-Jun-21	Restated 30-Jun-20
		MUR	MUR
REVENUE			
Revenue from non-exchange transactions	14	733,256,376	571,749,518
Revenue from exchange transactions	14 (i)	4,436,208	7,953,292
Interest income	14 (ii)	2,388,753	7,206,885
Other revenue	14 (iii)	1,193,331	399,551
Total revenue		<u>741,274,668</u>	<u>587,309,246</u>
EXPENSES			
Staff costs	15	256,560,296	235,002,446
Administrative expenses	16	80,238,600	73,132,288
Other administrative expenses	17	86,119,933	65,624,897
Promotion expenses	18	47,484,314	84,750,238
Capacity building	19	779,455	1,008,619
Refund schemes	20	260,925,526	124,614,674
Depreciation & amortisation		10,418,681	10,802,607
Finance cost		132,079	123,385
Total expenses		<u>742,658,884</u>	<u>595,059,154</u>
(Deficit) to General Fund for the period		<u>(1,384,216)</u>	<u>(7,749,908)</u>
FILM PROMOTION FUND			
Revenue from non-exchange transactions	14 (v)	294,224,960	-
Expenses		<u>(317,556,615)</u>	<u>(224,576,967)</u>
(Deficit) to Film promotion fund for the period		<u>(23,331,655)</u>	<u>(224,576,967)</u>
Total (Deficit) for the period		<u>(24,715,871)</u>	<u>(232,326,875)</u>

The notes on pages 98 to 120 form an integral part of these financial statements.

ECONOMIC DEVELOPMENT BOARD
STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

EQUITY	<i>Note</i>	General Fund	Film Promotion Fund	Capital contributed by Government of Mauritius *	Total
		MUR	MUR	MUR	MUR
Balance as at 1 July 2019		8,351,118	421,117,364	79,782,000	509,250,482
Remeasurement of employees retirement	13	(37,915,467)	-	-	(37,915,467)
(Deficit)/surplus for the period		<u>(7,749,908)</u>	<u>(224,576,967)</u>	<u>-</u>	<u>(232,326,875)</u>
Balance as at 1 July 2020		<u>(37,314,257)</u>	<u>196,540,397</u>	<u>79,782,000</u>	<u>239,008,140</u>
Adjustment on Rental		511,356	-	-	511,356
Restated Balance as at 1 July 2020		<u>(36,802,901)</u>	<u>196,540,397</u>	<u>79,782,000</u>	<u>239,519,496</u>
Remeasurement of employees retirement	13	(21,061,778)	-	-	(21,061,778)
Foreign Exchange Gain		477,925	-	-	477,925
(Deficit)/surplus for the period		<u>(1,384,216)</u>	<u>(23,331,655)</u>	<u>-</u>	<u>(24,715,871)</u>
Balance as at 30 June 2021		<u>(58,770,970)</u>	<u>173,208,742</u>	<u>79,782,000</u>	<u>194,219,772</u>

The Film Promotion Fund is established as per Economic Development Board Act to contribute to the financing of the film rebate scheme. The income tax paid by film production and film studio and their employees, tax withheld under Income Tax Act, and net value added tax collection in relation to film production are paid into the Fund.

*The capital contribution of MUR 79,782,000 by government relates to the investment in unquoted shares in "Ex-Enterprise Mauritius" amounted to MUR 79,782,000 for 79,782 shares of MUR 1,000 each at nominal value. Following transfer of the assets, rights, obligations and liabilities of "Ex-Enterprise Mauritius" to EDB on 15 January 2018 the equity participation is now treated as capital contribution by Government of Mauritius.

The notes on pages 98 to 120 form an integral part of these financial statements.

**ECONOMIC DEVELOPMENT BOARD
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

	30 Jun 2021 MUR	30 Jun 2020 MUR
Cash flow from operating activities		
(Deficit)/Surplus for the year/period	(1,384,216)	(7,749,908)
<i>Non- cash movements</i>		
Depreciation & amortisation	10,418,681	10,802,607
Revaluation of Investment	(487)	
Interest received	(2,388,753)	(4,724,009)
Gain on FOREX	477,925	
Changes in accounting estimates	511,356	
Increase/(Decrease) in payables	8,183,595	129,947
Increase/(Decrease) in provisions relating to employee costs	9,638,943	(2,436,652)
Loss on disposal of property, plant and equipment	288,795	1,251,768
(Increase)/decrease in trade and other receivables	(83,798,485)	5,351,375
Net cash flows from operating activities	(58,052,644)	2,625,128
Cash flows from investing activities		
Proceeds from sales of property plant & equipment	261,600	29,988
Purchase of property, plant and equipment	(7,454,920)	(9,554,513)
Car loan paid to employees		(1,704,750)
Car loan reimbursed by employees	(675,000)	1,804,368
Interest received	4,718,490	5,146,555
Net cash flows from investing activities	(3,149,830)	(4,278,352)
Cash flows from financing activities		
Film promotion funds received	250,400,000	-
Film rebate paid	(99,477,813)	(224,576,967)
Car loan received from MOFED/PMO		1,704,750
Car loan refunded to MOFED/PMO	675,000	(1,804,368)
Net cash flows from financing activities	151,597,187	(224,676,585)
Net increase/(decrease) in cash and cash equivalents	90,394,713	(226,329,808)
Cash and cash equivalents at the beginning of the period	324,154,582	550,484,390
Cash and cash equivalents at the end of the period	414,549,295	324,154,582
Notes to cash flow statement		
<i>a) Cash and Cash Equivalents</i>		
Cash and cash equivalents consist of cash on hand and balances with banks and investments in Treasury Certificates that are redeemable at request.		
Bank & cash balances	234,549,295	74,154,582
Treasury certificates	180,000,000	250,000,000
	414,549,295	324,154,582
<i>(b) Property, Plant and Equipment</i>		

During the period EDB acquired property, plant and equipment with an aggregate cost of MUR 7,905,741 of which MUR 5,000,000 was acquired by means of capital grants by the national government. Cash payments of MUR 7,454,920 were made to purchase property, plant and equipment.

The notes on pages 98 to 120 form an integral part of these financial statements.

**ECONOMIC DEVELOPMENT BOARD
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
FOR THE YEAR ENDED 30 JUNE 2021**

Details	Budget 2020-2021 Approved by Board	Actual	Difference	Notes
Revenue	MUR	MUR	MUR	
Revenue from non-exchange transactions	628,002,000	733,256,376	105,254,376	
Revenue from exchange transactions	6,635,000	4,436,208	(2,198,792)	
Interest income	4,375,000	2,388,753	(1,986,247)	
Other Income		1,193,331	1,193,331	
Total Revenue	639,012,000	741,274,668	102,262,668	
Expenditure				
Compensation of employees				
Personal emoluments				
Basic salary	148,956,000	147,138,122	(1,817,878)	
Salary compensation	2,050,000	1,807,502	(242,498)	
Other allowances & benefits	1,896,000	2,592,737	696,737	
End of year bonus	12,447,000	11,370,910	(1,076,090)	
Other staff costs				
Travelling and transport	35,424,000	32,690,503	(2,733,497)	
Overtime	1,115,000	1,260,064	145,064	
Medical scheme & Staff welfare	3,149,000	3,644,661	495,661	
Pensions (incl. Family Protection Scheme)	11,238,000	15,717,112	4,479,112	24 (i)
Gratuity	13,877,000	12,659,975	(1,217,025)	
Refund of leaves	2,600,000	8,046,917	5,446,917	
Duty Remission		775,000	775,000	
Mobile phone allowance	346,000	375,608	29,608	
Passage benefits	4,000,000	6,673,033	2,673,033	
Social contributions				
Contribution Sociale Généralisée		9,805,126	9,805,126	
Contribution to the National Pension Fund, Savings Fund & Levy	3,330,000	2,003,027	(1,326,973)	
Goods and services				
Cost of utilities				
Electricity	3,500,000	3,302,847	(197,153)	
Telephone	7,000,000	8,795,685	1,795,685	
Water charges	30,000	43,295	13,295	
Fuel and oil				
Vehicles	800,000	870,122	70,122	
Rent				
Rental of building (inc. of syndic fees)	26,392,000	26,150,383	(241,617)	
Rental of Parking	3,396,000	4,153,845	757,845	
Leasehold State land (Plaine Verte)	1,150,000	1,003,493	(146,507)	

Material differences are explained at note 24

ECONOMIC DEVELOPMENT BOARD
Statement of Comparison of Budget and Actual Amounts
FOR THE YEAR ENDED 30 JUNE 2021

Details	Budget 2020-2021 Approved by Board MUR	Actual MUR	Difference MUR	Notes
Office Expenses				
Postage	90,000	46,119	(43,881)	
Office sundries	2,000,000	3,176,803	1,176,803	24 (ii)
Maintenance				
Vehicles and motorcycles	540,000	775,020	235,020	
IT Equipment & Consumables	550,000	1,057,675	507,675	24 (iii)
IT Licenses	10,883,000	12,041,033	1,158,033	24 (iv)
Maintenance of Equipment/ Maintenance Agreement	1,110,000	1,909,512	799,512	24 (v)
Furniture, fixtures and fittings	270,000		(270,000)	
Buildings	275,000	510,220	235,220	24 (vi)
Cleaning services				
Cleaning of office premises	1,544,000	1,810,416	266,416	24 (vii)
Security services	199,000	462,735	263,735	24 (viii)
Printing and stationery	800,000	1,128,776	328,776	24 (ix)
Books and periodicals	100,000	130,267	30,267	
Fees				
Fees to Chairman and members of boards and committees	8,388,000	8,469,140	81,140	
Fees for training	500,000	291,575	(208,425)	
Other goods and services				
Other Registration & Membership of International Organisations	1,630,000	2,537,927	907,927	24 (x)
Uniforms	96,000	96,000	-	
Catering	50,000	220,956	170,956	24 (xi)
Professional fees	5,095,000	10,433,654	5,338,654	24 (xii)
International & Local advertising	1,000,000	2,590,303	1,590,303	24 (xiii)
Insurance	995,000	842,776	(152,224)	
Export & Investment Promotion Items				
Overseas promotion/export market development support Capacity building, advisory & consultancy	28,666,000	3,355,127	(25,310,873)	24 (xiv)
Conferences/Seminars/ Workshop	10,375,000	3,928,376	(6,446,624)	24 (xvi)
Promotional Tools	-	2,206,534	2,206,534	24 (xvii)
Foreign office representative	30,360,000	31,452,609	1,092,609	24 (xviii)
Sponsorship	-	53,543	53,543	
Setting up of a SportsTech Incubator (Sports Economy)	800,000	-	(800,000)	24 (xix)

Material differences are explained at note 24

ECONOMIC DEVELOPMENT BOARD
Statement of Comparison of Budget and Actual Amounts
FOR THE YEAR ENDED 30 JUNE 2021

Details	Budget 2020-2021 Approved by Board	Actual	Difference	Notes
Schemes & others				
Freight Rebate Scheme for Africa	30,000,000	23,300,875	(6,699,125)	24 (xx)
Credit Guarantee Insurance Subsidy Scheme	2,000,000	2,745,009	745,009	24 (xxi)
Support to Trade Promotion & Marketing Scheme	160,000,000	234,680,269	74,680,269	24 (xxii)
Refund to SMEs for participation on fairs	17,000,000	199,372	(16,800,628)	24 (xxiii)
Participation in Dubai Expo 2020 World Bank Technical Assistance on Strategic Planning & Doing Business	36,000,000	10,470,044	(25,529,956)	24 (xxiv)
Running costs of e-licensing platform	40,000,000	40,903,718	903,718	24 (xxv)
	19,800,000	5,521,747	(14,278,253)	24 (xxvi)
Sub Total Recurrent Expenditure	704,512,000	727,998,486	23,486,486	
Acquisition of non-financial assets				
Capital Expenditure				
Acquisition of IT equipment, software and IT infrastructure	5,000,000	1,492,523	(3,507,477)	24 (xxvii)
Refurbishment & Furniture	-	6,413,218	6,413,218	24 (xxviii)
Sub Total Capital Expenditure	5,000,000	7,905,741	2,905,741	
Total	709,512,000	735,904,228	26,392,227	

Notes

- i) The Budget of Economic Development Board is prepared on accruals Basis.
ii) The Budget was approved by the Board at its 22nd meeting held on 30th April 2020.
iii) Material differences are explained at note 24.

Reconciliation of total expenditure in Statement of Comparison of Budget and Actual Amounts and in Statement of Financial Performance

	MUR
Total expenditure in Statement of Financial Performance	742,658,884
Depreciation	(10,418,681)
Bad Debts	(3,952,922)
Loss in Disposal	(288,795)
Total expenditure as per Statement of Comparison of Budget and Actual Amounts	<u><u>727,998,486</u></u>

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. EDB operates under the aegis of Ministry of Finance, Economic Planning and Development.

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 compliance 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). The financial statements comply in all material respects with applicable IPSAS.

Where an IPSAS does not address a particular issue, the appropriate International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) issued by the International Accounting Standards Board are 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

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 are 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

2.4 Reporting Date

Financial Statements have been prepared for the period 1 June 2020 to 30 June 2021.

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, 2023)

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, 2023)

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.

4 ACCOUNTING POLICIES

4.1 Intangible Assets, Property, Plant and Equipment

Items of Intangible assets and Property, plant and equipment are stated at cost less accumulated amortisation/depreciation. Costs include expenditure that are directly attributable to the acquisition of the assets. Amortisation/Depreciation is recognised in the Statement of Financial Performance using the following expected useful lives so as to write off the cost of intangible assets and property, plant and equipment on a straight line basis.

Intangible Assets	5 to 20 Years
Leasehold Land	26.5 Years
Plant & Machinery	10 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 Equipment Hardware	3 to 20 Years

4.2.1 Financial Assets

EDB's financial assets includes surplus cash placed on bank term deposits with commercial banks or treasury certificates at the Bank of Mauritius and are recognised as Financial Assets in the Statement of Financial Position.

4.2.2 Investment in unquoted shares

Unquoted investments, which are generally in the form of shares, for which reliable fair values cannot be obtained are revalued annually based on the net book value of the entities in which investment is made.

4 ACCOUNTING POLICIES (Continued..)

4.3 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. Roundings 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.

4.4 Revenue Recognition

The revenues are earned from exchange and non-exchange transactions and measured at fair value of consideration received or receivable.

4.4.1 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.

4.5 Expenses

All expenses have been accounted on an accrual basis.

4.5.1 Refund under various schemes

EDB operates the following schemes, namely Trade Promotion and Marketing Scheme, Freight Subsidy Refund Scheme, Film Promotion, Credit Guarantee Insurance Refund Scheme and Participation in International Fairs (SMEs). Since that the beneficiaries are given sufficient time to submit their claims to EDB, only claims received as at the closing date of the financial year are accrued.

4.6 Events after the Reporting Date

There was no event after the reporting date as at 30 June 2021 that would materially affect the financial statements.

4.7 Comparative Figures

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

4.8 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.

(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.

4.9 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 and interest rate risk.

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 entirely 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 YEAR ENDED 30 JUNE 2021

	30-Jun-21 MUR	30-Jun-20 MUR	
5. CASH AND CASH EQUIVALENTS			
Cash at Bank	233,928,057	73,891,018	
Cash in Hand	621,238	263,564	
	<u>234,549,295</u>	<u>74,154,582</u>	
5 (i). FINANCIAL ASSETS			
Term Deposit	-	200,000,000	
Treasury Certificates	180,000,000	50,000,000	
	<u>180,000,000</u>	<u>250,000,000</u>	
6. TRADE RECEIVABLES			
Trade Debtors	2,916,410	8,693,467	
Less: Provision for impairment	(352,537)	(2,419,490)	
	<u>2,563,873</u>	<u>6,273,977</u>	
Trade Debtors mainly represents the amount due by Tenants of Industrial Building at Plaine Verte			
7. OTHER RECEIVABLES			
Deposits	5,025,735	4,837,155	
Prepayments	12,686,344	12,615,481	
Other Receivables	133,817,977	4,398,605	
Car Loan - Receivables	637,500	675,000	
	<u>152,167,556</u>	<u>22,526,241</u>	
8. OTHER RECEIVABLES - CAR LOANS			
	Total MUR	Capital MUR	Interest MUR
Opening at 1 July 2020	<u>1,870,573</u>	<u>1,650,000</u>	<u>220,573</u>
Of which:			
Short term	736,125	675,000	61,125
Long term	1,134,448	975,000	159,448
New loan during period			
Adjustment on Interest	(62,323)		(62,323)
Repaid during period	(736,125)	(675,000)	(61,125)
Closing at 30 June 2021	<u>1,072,125</u>	<u>975,000</u>	<u>97,125</u>
Of which:			
Short term	695,563	637,500	58,063
Long term	376,563	337,500	39,063

ECONOMIC DEVELOPMENT BOARD
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2021

9. PROPERTY, PLANT AND EQUIPMENT

	Office Equipment MUR	Plant & Machinery MUR	Furniture, Fixtures & Fittings MUR	Computer Equipment & Hardware MUR	Motor Vehicles MUR	Total MUR
<i>Cost/Valuation</i>						
Balance at 1 July 2020	4,922,685	2,312,154	43,759,536	21,602,502	19,919,595	92,516,472
Additions	587,432	123,939	5,171,217	781,152		6,663,740
Assets under construction	-		1,242,001	-		1,242,001
Disposal	(43,320)		(1,616,447)	(726,492)	(868,483)	(3,254,742)
Re-classification	(23,966)			23,966		-
Balance at 30 June 2021	<u>5,442,831</u>	<u>2,436,093</u>	<u>48,556,307</u>	<u>21,681,128</u>	<u>19,051,112</u>	<u>97,167,471</u>
<i>Accumulated Depreciation</i>						
Balance at 1 July 2020	3,020,907	260,564	24,088,084	15,064,354	12,856,104	55,290,013
Charge for the Period	520,472	241,726	2,001,354	2,783,035	1,623,266	7,169,853
Disposal	(40,713)		(1,330,117)	(666,611)	(724,708)	(2,762,149)
Re-classification	(16,775)			16,775		-
Balance at 30 June 2021	<u>3,483,891</u>	<u>502,290</u>	<u>24,759,321</u>	<u>17,197,553</u>	<u>13,754,662</u>	<u>59,697,717</u>
<i>Carrying amount</i>						
At 30 June 2021	<u>1,958,940</u>	<u>1,933,803</u>	<u>23,796,986</u>	<u>4,483,575</u>	<u>5,296,450</u>	<u>37,469,754</u>
At 30 June 2020	1,901,778	2,051,590	19,671,452	6,538,148	7,063,492	37,226,460

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	30-Jun-21 MUR	30-Jun-20 MUR
10. INVESTMENT PROPERTY		
Cost		
At 1 July	59,780,000	32,550,000
Reclassification (Note 1)		27,230,000
At 30 June	59,780,000	59,780,000
Depreciation		
At 1 July	5,432,096	1,898,750
Reclassification (Note 1)		1,323,680
Charge for the period	2,209,669	2,209,666
At 30 June	7,641,765	5,432,096
Net Book Value	52,138,235	54,347,904

Note 1. The Investment Property consists of an industrial park located at Plaine Verte leased to companies and an office space located at St James Court, Port Louis leased to Government of Mauritius to be used as office by Ministry of Foreign Affairs, Regional Integration & International Trade (Human Rights Division).

EDB has adopted the cost model whereby the valuation of the property as of 15 January 2018 was taken to be the deemed cost. Straight line method of depreciation was used based on a useful life of 25 Years for the Industrial Building and 30 Years for the St James Office Building. EDB considers that there is no major difference between the fair value of the investment properties and the carrying amount.

11. INTANGIBLE ASSETS

11 (a) The right on Leasehold Land

	22,350,000	22,350,000
Valuation		
At 1 July	2,108,490	1,265,094
Charge for the year	843,396	843,396
At 30 June	2,951,886	2,108,490
Net Book Value	19,398,114	20,241,510

Note 2. Following the enactment of Transfer of Undertaking Act, the right on leasehold was transferred from EX-MIDA to Enterprise Mauritius and in exchange Enterprise Mauritius issued Shares to Government of Mauritius. With the enactment of Economic Development Board Act, the value of shares owned by Government of Mauritius is treated as Capital contributed by Government in the Statement of Financial Position. Since there is no equivalent IPSAS for right of use, EDB has maintained the same accounting treatment, namely as per IFRS 16, as the Ex-Enterprise Mauritius had issued shares to the Government of Mauritius as consideration in exchange of the right to use of the leasehold land.

11 (b) Computer Software

	6,785,971	5,852,771
Cost		
At 1 July	6,785,971	5,852,771
Addition		977,362
Disposal	(5,518,570)	(44,162)
At 30 June	1,267,401	6,785,971
Amortisation		
At 1 July	5,945,986	5,713,409
Charge for the year	195,766	260,647
Disposal	(5,460,767)	(28,070)
At 30 June	680,985	5,945,986
Net Book Value	586,416	839,985
Total Intangible Assets	19,984,530	21,081,495

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	30-Jun-21 MUR	30-Jun-20 MUR
12. PAYABLES		
Trade payables	906,171	28,238,825
Other payables		
Accrued expenses	301,040,352	47,113,320
Other payables	1,477,101	1,587,313
	302,517,453	48,700,633
	303,423,624	76,939,458
12 (i) PAYABLES		
Deposits	211,220	131,820
13. EMPLOYEES BENEFIT		
Current		
Provision for passage benefits (Note 13 (i))	11,490,335	11,492,005
Provision for Refund of Unutilised Leaves (Note 13 (ii))	2,162,027	1,335,706
	13,652,362	12,827,711
Non Current		
Provision for Refund of Unutilised Leaves	42,321,903	36,425,932
Retirement benefits obligation (Note 13 (iii))	124,417,349	99,612,598
	166,739,252	136,038,530
13 (i) Provision for Passage Benefits		
Opening at 1 July	11,492,005	8,303,931
Provision for the Year	6,632,898	6,530,463
Amount used	(6,634,568)	(3,342,389)
Closing at 30 June	11,490,335	11,492,005
13 (ii) Provision for Refund of Leaves		
Opening at 1 July	37,761,638	30,794,544
Provision for the Year	8,046,915	9,512,191
Amount used	(1,324,623)	(2,545,097)
Closing at 30 June	44,483,930	37,761,638

**ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

	As at 30 June 2021	As at 30 June 2020
13 (iii). RETIREMENT BENEFITS		
Amounts recognised in Statement of Financial Position at end of year:	MUR	MUR
Defined benefit obligation	206,458,353	171,638,371
(Fair value of plan assets)	<u>(82,041,005)</u>	<u>(72,025,773)</u>
Liability recognised in balance sheet at end of year	<u>124,417,348</u>	<u>99,612,598</u>
Amounts recognised in income statement :		
Service cost:		
Current service cost	8,596,477	6,948,701
Past service cost	-	-
(Employee contributions)	(2,645,381)	(2,530,025)
Fund expenses	373,186	166,610
Net Interest cost expense (income)	<u>3,591,247</u>	<u>2,423,388</u>
Actuarial loss/(gain) recognised	9,915,529	7,008,674
Remeasurement		
Liability (gain)/loss	23,213,887	44,262,951
Assets (gain)/loss	<u>(2,152,109)</u>	<u>(6,347,484)</u>
Total Other Comprehensive Income (OCI) recognised	<u>21,061,778</u>	<u>37,915,467</u>
Total	<u>30,977,307</u>	<u>44,924,141</u>
Movement in Asset recognised in balance sheet:		
At start of year	99,612,598	74,288,952
Amount recognised in P&L	9,915,529	7,008,674
(Special Contributions)	(6,172,556)	(13,800,000)
(contributions paid by employer)	-	(5,800,495)
Amount recognised in NAE	<u>21,061,778</u>	<u>37,915,467</u>
At end of year	<u>124,417,349</u>	<u>99,612,598</u>

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 YEAR ENDED 30 JUNE 2021**

	Year Ending 30 June 2021	Year Ending 30 June 2020
13 (iii) EMPLOYEES BENEFIT (Continued)		
Reconciliation of the present value of defined benefit obligation	Rs.	Rs.
Present value of obligation at start of year	171,638,371	120,353,572
Current service cost	8,596,477	6,948,701
Interest cost	6,350,620	4,453,082
(Benefits paid)	(3,341,002)	(4,379,935)
Liability (gain)/loss	23,213,887	44,262,951
Present value of obligation at end of year	<u>206,458,353</u>	<u>171,638,371</u>
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of year	72,025,773	46,064,620
Expected return on plan assets	2,759,373	2,029,694
Employer contributions	6,172,556	5,800,495
Employee Contributions	2,645,381	2,530,025
Past Service funding	-	13,800,000
(Benefits paid + other outgo)	(3,714,187)	(4,546,545)
Asset gain/(loss)	2,152,109	6,347,484
Fair value of plan assets at end of year	<u>82,041,005</u>	<u>72,025,773</u>
Distribution of plan assets at end of year		
	Jun-21	Jun-20
Government securities and cash	54.8%	61.70%
Loans	2.8%	3.00%
Local equities	11.8%	10.10%
Overseas bonds and equities	30.1%	24.60%
Property	0.5%	0.60%
Total	<u>100%</u>	<u>100%</u>
Additional disclosure on assets issued or used by the reporting entity		
Percentage of Assets at end of period	June 2021 (%)	June - 2020 (%)
Assets held in the entity's own financial instruments	0	0
Property occupied by the entity	0	0
Other assets used by the entity	0	0
Components of the amount recognised in OCI		
Year	June - 2021	June - 2020
Currency	MUR	MUR
Asset experience gain/(loss) during the year	2,152,109	6,347,484
Liability experience gain/(loss) during the year	(23,213,887)	(44,262,951)
	<u>(21,061,778)</u>	<u>(37,915,467)</u>
Year	2021-2022	
Expected employer contributions	6,497,682	
Weighted average duration of the defined benefit obligation	18 Years	16 Years
(Calculated as a % change in PV of liabilities for a 1% change in discount rate)		104

**ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

13 (iii) RETIREMENT BENEFITS (Continued)

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-21	Period Ending 30-Jun-20
Discount rate	5.00%	3.70%
Future salary increases	3.00%	2.40%
Future pension increases	2.00%	1.40%
Mortality before retirement	Nil	A 6770 Ultimate Tables
Mortality in retirement	Pa 90 Tables rated down by 2	Pa 90 tables
Retirement age	65 years	65 years

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 MUR 32.7 M (increase by MUR 42.1 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 MUR 22.2 M (decrease by MUR 18.9 M) if all assumptions were held unchanged.

- If life expectancy would increase (decrease) by one year, the defined benefit obligation would increase by MUR 5.5 M (decrease by MUR 5.5 M) if all assumptions were held unchanged.

In reality one might expect interrelationships between the assumptions, especially between discount rate and expected salary increases, given that both depends to a certain extent on expected inflation rates. The analysis above abstracts from these interdependence between the assumptions.

13 (a) Defined Contribution Plan

In addition to the defined benefit pension plan, the State Insurance Company of Mauritius Ltd is also administering a defined contribution plan for employees who joined as permanent and pensionable position as from March 2013. The contribution made under the Defined Contribution Plan was MUR 4,251,986 for the year ended 30 June 2021, (MUR 3,148,644 for the year ended 30 June 2020).

ECONOMIC DEVELOPMENT BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

	Year Ended Jun-21 MUR	Year Ended Jun-20 MUR
14. REVENUE		
14. Revenue from non-exchange transactions		
Government Grant (see 14 (iv) below)	733,256,376	571,749,518
14. (i) Revenue from exchange transactions		
Processing Fees - Storage Permit	529,500	661,500
Local / International fairs	-	2,136,771
Rent	3,906,708	5,155,021
	<u>4,436,208</u>	<u>7,953,292</u>
14. (ii) Interest Income	<u>2,388,753</u>	<u>7,206,885</u>
14 (iii) Other Revenue		
Gain on FOREX	149,820	376,632
Sponsorship	300,000	
Other Miscellaneous Income	743,511	22,919
	<u>1,193,331</u>	<u>399,551</u>
Total Revenue	<u>741,274,668</u>	<u>587,309,246</u>
14. (iv) Revenue from non-exchange transactions	Jun-21 MUR	Jun-20 MUR
Deferred Grant at beginning of the Period		20,000,000
Government Recurrent Grant received		
Recurrent Expenditure (including Export Market Development Support)	385,000,000	351,729,273
Freight Rebate Scheme for Africa	20,000,000	18,167,518
Credit Guarantee Insurance Subsidy Scheme	15,000,000	2,000,000
Trade Promotion Marketing Scheme	200,000,000	120,000,000
Refund to SMEs for participation on fairs	15,000,000	19,193,709
Capital Grants	5,000,000	5,000,000
Participation in Dubai Expo 2020	-	2,000,000
World Bank Technical Assistance on Strategic Planning and Doing Business Reform	20,000,000	32,500,000
Refund on Certification, testing and accreditation of Local Laboratories	5,000,000	-
Grant Receivable Covid Campaign	1,717,585	-
Grant Receivable Scheme	49,544,379	-
Grant Receivable 30 June 2020 E-licensing	(891,418)	-
Grant Received E-licensing	17,885,830	267,600
Grant Receivable E-licensing	-	891,418
	<u>733,256,376</u>	<u>571,749,518</u>
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 7,905,741 (MUR 8,393,126 for year ended 30 June 2020) was utilised for the acquisition of intangible assets, plant and equipment and improvement to buildings as detailed below:		
	Jun-21 MUR	Jun-20 MUR
Computers	781,152	3,430,927
Furniture and fittings	6,413,218	768,960
Motor vehicle	-	53,472
Office equipment	587,432	882,860
Software	-	977,362
Plant & Machinery	123,939	2,279,545
	<u>7,905,741</u>	<u>8,393,126</u>

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	Year Ended Jun-21 MUR	Year Ended Jun-20 MUR
14 (v) Revenue from non-exchange transactions under Film Promotion Fund		
Amount Received from parent Ministry	211,000,000	-
Amount received from MRA in accordance to VAT Act Section 65E (1)	26,842,018	-
Amount received from MRA in accordance to Income Tax Act Section 50LA (1)(a) & (b)	16,982,942	-
Amount received from MRA in accordance to Income Tax Act Section 50LA (1) (c)	39,400,000	-
	<u>294,224,960</u>	<u>-</u>
15. STAFF COSTS		
Personal Emoluments		
Basic Salary	147,138,122	137,509,658
Salary compensation	1,807,502	1,435,792
Allowances	2,592,737	1,866,570
End of Year Bonus	11,370,910	11,301,009
Other Staff Costs		
Travelling and Transport	32,690,503	28,498,625
Overtime	1,260,064	1,126,399
Staff Welfare/Medical Scheme	3,644,661	4,067,154
Pensions (incl. Family Protection Scheme)	15,717,112	11,716,808
Gratuity	12,659,975	18,228,692
Refund of leaves	8,046,917	9,499,433
Duty Remission	775,000	-
Mobile phone Allowance	375,608	175,334
Passage Benefits	6,673,033	6,694,170
Social Contributions		
Contribution Social Généralisée	9,805,126	-
Contribution to the National Savings Fund	1,199,996	1,015,937
National Pension Fund	172,789	827,052
Levy	630,241	1,039,815
Total Compensation of Employees	<u>256,560,296</u>	<u>235,002,446</u>

ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	Year Ended Jun-21 MUR	Year Ended Jun-20 MUR
16. ADMINISTRATIVE EXPENSES		
Goods and Services		
Cost of Utilities		
Electricity	3,302,847	2,970,717
Telephone	8,795,685	6,967,462
Water Charges	43,295	18,086
Fuel and Oil		
Vehicles	870,122	823,575
Rent (Note 23)		
Rental of Building & Parking	30,304,228	29,170,020
Leasehold State Land (Plaine Verte)	1,003,493	1,150,000
Office Expenses		
Postage	46,119	79,759
Office Sundries	3,044,724	3,490,941
Maintenance		
Vehicles and Motorcycles	775,020	756,114
IT & Other Equipment	15,008,221	13,240,186
Furniture,Fixtures and Fittings		
Buildings	510,220	479,403
Cleaning of Office Premises	1,810,416	1,778,734
Security Services	462,735	305,792
Publications and Stationery		
Paper and Materials		
Printing and Stationery	1,128,776	1,143,771
Books and Periodicals	130,267	69,407
Fees		
Fees to Chairman and members of boards and committees	8,469,140	7,099,388
Fees for Training	291,575	1,464,966
Loss on Disposal of Assets	288,795	1,251,768
Bad Debts	3,952,922	872,199
	<u>80,238,600</u>	<u>73,132,288</u>

ECONOMIC DEVELOPMENT BOARD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

	Year Ended <u>Jun-21</u> MUR	Year Ended <u>Jun-20</u> MUR
17. OTHER ADMINISTRATIVE EXPENSES		
Other Goods and Services		
Uniforms	96,000	96,000
Catering	220,956	72,485
Professional Fees & Consultancy	70,328,305	30,781,125
International & Local Advertisement	2,590,303	8,873,993
Conferences/Seminars/Workshop	3,928,376	6,323,087
Running Costs of e-Licensing Platform	5,521,747	8,687,576
Insurance	842,776	988,689
Other Registration & Membership of International Organisations	2,537,927	1,734,234
Sponsorship	53,543	2,067,708
Contribution to Fintech Association	-	6,000,000
	<u>86,119,933</u>	<u>65,624,897</u>
18. PROMOTION EXPENSES		
Investment Promotion Activities	8,826,904	20,780,331
Participation - International Trade Fair/Online exhibition	4,998,268	29,922,624
Mission Abroad	-	50,252
Overseas Representations	31,452,608	30,236,402
Investment Promotion Tool	2,206,534	3,760,629
	<u>47,484,314</u>	<u>84,750,238</u>
19. CAPACITY BUILDING		
Product & Enterprise Development	779,455	1,008,619
	<u>779,455</u>	<u>1,008,619</u>

ECONOMIC DEVELOPMENT BOARD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

	Year Ended <u>Jun-21</u> MUR	Year Ended <u>Jun-20</u> MUR
20. REFUND SCHEMES		
Freight Rebate Scheme for Africa	23,300,874	14,634,719
Credit Guarantee Insurance Subsidy Scheme	2,745,010	165,663
Trade Promotion and Marketing Scheme	234,680,270	96,318,088
Refund to SMEs for participation on fairs	199,372	13,496,204
	<u>260,925,526</u>	<u>124,614,674</u>
The expenditure under refund schemes are recognised for claims received during the financial year.		
21. EXPENDITURE AND GOVERNMENT GRANT		
Expenditure for the year ended 30 June 2021 amounted to MUR 742,658,884 (inc. Depreciation and Amortisation) compared to MUR 595,059,154 for the year ended 30 June 2020 and Revenue for the same period including Government Grant, amounted to MUR 741,274,668, compared to MUR 587,309,246 for the year ended 30 June 2020. The reported deficit is MUR 1,384.216 compared to a MUR 7,749,908 for the last period.		
22. OPERATING LEASE		
Minimum Lease payments		
(i) Leases as lessee		
Minimum lease payments under operating lease recognized as an expense in the year	<u>31,307,721</u>	<u>30,320,020</u>
No later than 1 year	27,606,159	27,066,052
Later than 1 year and not later than 5 years	192,001,412	184,904,991
Later than five years	324,555,576	309,470,012
	<u>544,163,147</u>	<u>521,441,055</u>
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) 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.		

**ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

	Year Ended	Year Ended
	30-Jun-21	30-Jun-20
	MUR	MUR
(ii) Leases as lessor		
Non cancellable operating lease receivables		
No later than 1 year	2,929,152	3,126,129
Later than 1 year and not later than 5 years	13,413,169	13,498,584
Later than five years	19,019,182	19,158,137
	<u>35,361,503</u>	<u>35,782,850</u>

The operating lease relates 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.

23. EVENTS AFTER REPORTING DATES

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

24. DIFFERENCE BETWEEN BUDGET AND ACTUAL RESULTS

(i) Staff Cost

- a) Increase in number of pensionable employees and adjustment for Retirement Benefit Obligation.
- b) Employees did not used their leaves, which resulted to an increase in provision for leaves.
- c) New employees were recruited.
- d) No provision was made for Contribution Social Généralisée.
- e) The salary increase is a result of restructuring exercise of the organisation on account of additional responsibilities provided to EDB and a promotion exercise to ensure that EDB retains good talents and motivates its staff to deliver fully on this mandate. This exercise was proposed by management after consultation with the parent Ministry, validated by the HR committee and approved by the Board.

(ii) Office sundries

Due to budgetary constraint, inadequate provision was made.

(iii) IT Equipment & Consumables

Due to budgetary constraint, inadequate provision was made.

(iv) IT Licenses, Registration & Other Equipment, IT Equipment

The increase is due to additional licenses for Microsoft 365 as a result of new recruits and appreciation of foreign currencies.

(v) Maintenance of Equipment/ Maintenance Agreement

There has been an increase in number of maintenance Agreements for IT department

(vi) Maintenance - Buildings

The offices at Occupational Permit Unit of Sterling House was renovated.

(vii) Cleaning of Office Premises

Following the removal of lockdown all the office had to be cleaned and disinfected.

(viii) Security services

With the departure of tenants EDB has to pay the contribution previously paid by tenants

**ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

24. DIFFERENCE BETWEEN BUDGET AND ACTUAL RESULTS (continued)

(ix) Printing and stationery

Increase in Printing Cost

(x) Other Registration & Membership of International Organisations

New Membership, increase in membership fees and increase in Exchange Rate.

(xi) Catering

Due to budgetary constraint, inadequate provision was made.

(xii) Professional fees

Increase in number of Professional services for Communication, Ease of Doing Business and Website and translation of Website

(xiii) International & Local advertising

- a) Sensibilization Campaign for Covid 19.
- b) Due to budgetary constraint, inadequate provision was made.

(xiv) Overseas promotion/export market development support

Reduction in number of promotional activities due to COVID

(xv) Capacity building, advisory & consultancy

- a) Appointment of an international crisis communication firm in the context of the MV Wakashio incident.
- b) Consultancy Services for conducting research study on "The Role of the Mauritius IFC in driving economic growth and prosperity in Africa"

(xvi) Conferences/Seminars/ Workshop

There has been a considerable reduction in number of promotional activities due to COVID.

(xvii) Promotional Tools

Due to budgetary constraint no provision was made for promotional films and however, several promotional films had to be developed.

(xviii) Foreign office representative

Operationalisation of New Offices in China.

(xix) Setting up of a SportsTech Incubator (Sports Economy)

Activity was postponed due to COVID 19

(xx) Freight Rebate Scheme for Africa

Following COVID 19, export to African countries eligible under Freight Rebate Scheme did not pick up to the expected level.

**ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

24. DIFFERENCE BETWEEN BUDGET AND ACTUAL RESULTS (continued)

(xxi) Credit Guarantee Insurance Subsidy Scheme

Total Provision made in National Budget was increased to MUR 15 million, as the scheme was extended to Worldwide export in Budget Speech 2020

(xxii) Support to Trade Promotion & Marketing Scheme

Increase in freight cost and increase in refund rate from 40 % to 60 % of the freight paid.

(xxiii) Refund to SMEs for participation on fairs

Due to COVID pandemic, no participation in International fair was organized by EDB thus there was very few claims under this scheme .

(xxiv) Participation in Dubai Expo 2020

Dubai expo was postponed to 2021

(xxv) World Bank Technical Assistance on Strategic Planning & Doing Business

Appreciation of foreign currencies

(xxvi) Running costs of e-licensing platform

All licenses and maintenance contracts will start as from year 2021-2022

(xxvii) Acquisition of IT equipment, software and IT infrastructure

40 Laptops ordered in FY 2020/2021 will be delivered in 2021/2022 due to longer lead time post COVID

(xxviii) Refurbishment & Furniture

No provision was made for office refurbishment -

- a) EDB Lounge at ground floor of One Cathedral Square Building
- b) EDB Office in Rodrigues and
- c) Appointment of Interior Design consultant for New Exchange Building - Ebene Office

**ECONOMIC DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

25. RELATED PARTY TRANSACTIONS

For the year ended 30 June 2021, the EDB had transactions with related parties as follows:

Related parties	Nature of relationship	Related party transactions	Value of transactions for the period ended 30 June 2021 MUR	Debit/ (credit) As at 30 June 2021 MUR	Value of transactions for the period ended 30 June 2020 MUR	Debit/ (credit) As at 30 June 2020 MUR	Remarks
Prime Minister's Office	Related party	Government grants			272,749,000	(272,749,000)	As from July 2019
Ministry of Finance, Economic Planning and Development	Related party	Government grants	876,000,000	(876,000,000)	277,841,500	(277,841,500)	As from January 2020
Directors Remuneration and benefits - (Non - Executive)	Related party	Directors Fees	8,385,000	8,385,000	6,986,031	6,986,031	
Eclosia Group	Related party	Purchases of Services & Refund Schemes	-	-	6,406,426	6,406,426	
Currimjee & Jeewanjee Co Ltd (Group)	Related party	Purchases of Goods & Services & Refund Schemes	-	-	2,055,705	2,055,705	
Key management personnel	Related party	Salaries and short term benefits	56,066,658	56,066,658	55,911,239	55,911,239	

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
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

25. RELATED PARTY TRANSACTIONS (continued)

Details of Key Personnel

Major Class	Number	Other remuneration & compensation (MUR)	Loan (MUR)
Chief Executive Officer	1	Nil	Nil
Directors	5	Nil	Nil
Head of Department	11	Nil	Nil

EDB
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