Mauritius-India
State Visit of Mr Narendra Modi: Signature of five MOUs

The 24-hour State Visit of the Prime Minister of the Republic of India, Mr Narendra Modi, to Mauritius on 11-12 March 2015 was marked by the exchange of five Memoranda of Understanding/Agreements in various fields. India is also granting Mauritius an economic partnership package with a concessional line of credit of USD 500 million for the deployment of civil infrastructure projects in the island.

The Indian Prime Minister was the Chief Guest at Mauritius’ National Day Celebrations 2015. During his stay, he paid a courtesy call on the President of the Republic of Mauritius, Mr Rajkeswur Purryag, at the State House, Le Réduit. He had a tête-à-tête with his counterpart, Prime Minister Jugnauth, after which the exchange of MOU/Agreements between both parties was held. Mr Modi also attended a State Banquet hosted in his honour by the Mauritian Prime Minister.
Moreover, on 12 March, the Indian Prime Minister visited the Ganga Talao followed by the launching of construction works of the World Hindi Secretariat at Phoenix. He also addressed the National Assembly, and visited the Aapravasi Ghat World Heritage Site.

The Indian Prime Minister was also present at the commissioning ceremony of the Coast Guard Ship Baraccuda at the Port-Louis Harbour in the presence of the Prime Minister of Mauritius. Afterwards, he attended a lunch hosted by the President of Mauritius at the State House, followed by a Tribute to Mahatma Gandhi and a Civic Reception at the Mahatma Gandhi Institute in Moka.

The programme of visit also included courtesy calls on the Indian Prime Minister by the Chief Justice of Mauritius and the Leader of the Opposition at the Oberoi Hotel, Pointe aux Piments.

Later in the evening of March 12, Mr Narendra Modi, attended the National Day celebrations at the Champ de Mars in Port Louis.

The tête-à-tête

Issues of mutual interest were discussed during the tête-à-tête between the Mauritian Prime Minister, Sir Anerood Jugnauth, and his Indian counterpart, Prime Minister, Shri Narendra Modi on 11 March 2015 at the New Treasury Building in Port Louis.

Both sides have agreed to further elevate cooperation in key areas of common interest. These include projects in the ICT, water, renewable energy, cyber security, and ocean economy sectors, as well as human resource development across a spectrum of areas. On the bilateral agenda, the Indian side has agreed to consider, as soon as technically possible, waiving the visa fees payable by Mauritian nationals travelling to India in respect of the new online visa-on-arrival system.

The tête-à-tête enabled both parties to take the opportunity to review the issue of the Mauritius-India Preferential Trade Agreement signed in August 2006 to further enhance market access and agree on the way forward. Moreover, since the Mauritian Government wishes to set up a specialised cancer hospital, both India and Mauritius have agreed to work together to further cooperation in this field in order to provide maximum support in the treatment to cancer patients.

As regards the Chagos Archipelago, Prime Minister Modi has reaffirmed India’s firm support in Mauritius’ efforts to effectively exercise its sovereignty over the islands. Mauritius for its part, has re-affirmed unflinching support for India’s candidature for a permanent seat at the United Nations Security Council.
The five MOUs/Agreements concluded pertain to the following: ocean economy, culture, agriculture, sea and air transportation facilities, and traditional medicine.

The MOUs/Agreements

- The ocean economy MOU provides an extensive framework for cooperation in the field of Ocean Economy, a critical area of sustainable development in the Indian Ocean Region. It provides for mutually beneficial cooperation for exploration and capacity development in the field of marine resources, fisheries, green tourism, research and development of ocean technology, exchange of experts and other related activities.

- The programme for cultural cooperation for the period 2015-2018 will enhance bilateral ties in this field as well as greater people-to-people participation between the two countries. It envisages exchange of cultural troupes, training in fine arts, organisation of cultural exhibitions, preservation of cultural heritage, promotion of Indian languages, and exchange of students.

- The agriculture-related protocol relates to the importation of fresh mango from India. The aim is to facilitate importation of fresh mango fruits from India by Mauritius so that Mauritians can also relish the flavour of the world-renowned Indian mangoes.

- The MOU on sea and air transportation facilities relates to the improvement of such facilities for Agalega and in enhancing the condition of the inhabitants of the island. These facilities will also boost the capabilities of the Mauritian Defence Forces in safeguarding interests in Agalega.

- The MOU on cooperation in the field of traditional system of medicine and homeopathy envisages exchange of experts, supply of traditional medicinal substances, joint research and development and recognition of the traditional systems of health and medicine in both India and Mauritius.

A new Offshore Patrol Vessel (OPV), the CGS Barracuda, was commissioned on 12 March 2015 in the service of the National Coast Guard of Mauritius. The Prime Minister of the Republic of India, Mr Narendra Modi, and the Mauritian Prime Minister, Sir Anerood Jugnauth, proceeded with the commissioning on Quay A at the Port Louis Harbour.

In his address, Prime Minister Jugnauth stated that the vessel has come at an opportune moment when the Indian and Mauritian Governments have concluded an MoU for the improvement of sea and air transportation facilities at Agalega. With such a platform the National Coast Guard is better equipped to meet emerging challenges as well as expectations of the public at large, in an effective and efficient manner, added Sir Anerood Jugnauth.

For his part, the Indian Prime Minister, Mr Modi, said that India, with Mauritius as a key partner, will work to ensure a safe, secure and stable Indian Ocean Region that delivers us all to the shores of prosperity, and will deepen our economic and security cooperation with its friends in the region especially its maritime neighbours and island States. Collective action and cooperation will best advance peace and security in our maritime region and also prepare us better to respond to emergencies, Mr Modi stressed.
The Visit - Snapshots
The official ceremony marking the 47th anniversary of Independence and 23rd anniversary of the Republic of Mauritius was held on 12 March 2015 in the evening at the Champ de Mars, in Port Louis.

The Chief Guest was the Prime Minister of the Republic of India, Mr Narendra Modi. The theme chosen for this year’s celebrations was ‘Nouvo destin avec lepep’. The official programme comprised the flag raising ceremony; display and fly-past by Dornier Police Helicopters; march-past by Disciplined Forces and Uniformed Organisations, followed by a défilé of vehicles and the crew of the Indian Navy, as well as a défilé depicting the rich cultural diversity of the Mauritian nation with the participation of Cultural Centres and Speaking Unions; and a cultural show.

A popular cultural show was also held on the Young Mauritian Football Association playground at the Champ de Mars following the official ceremony.

Prime Minister’s Message

The Mauritian population was called upon by the Prime Minister, Sir Anerood Jugnauth, to demonstrate a sense of solidarity and unity in their actions, in his message to the Nation on the occasion of the 47th anniversary of the Independence and 23rd anniversary of the Republic of Mauritius. This sense of solidarity and unity, he observed, will help the country move to the next level of development towards a more modern Mauritius.

The various challenges lurking ahead for the country, especially in a difficult international context where the world economy is uncertain, was also highlighted by the Prime Minister. In this context, Budget 2015-2016 is focusing on translating the economic vision of Government into concrete actions with emphasis on innovation, he pointed out.

The PM also stated that his priority is to achieve the desirable economic growth that will in turn help the country thrive so that all Mauritian families, without distinction, may work together for a brighter future and for a mutual sharing of the wealth generated by collective hard work.

Ensuring that equal opportunities prevail in the country with the creation of more job opportunities for the youth while pursuing the fight against poverty and social inclusion will also remain high on Government agenda, he said. Regarding law and order, the PM reassured the population that Government will take all necessary actions to ensure the security of every citizen in the country.

Discipline, transparency, good governance, ethical dealings and integrity remain the core values towards nurturing a stable, secure, innovative, inclusive and progressive Mauritius, added Sir Anerood Jugnauth.
NATIONAL DAY CELEBRATIONS - SNAPSHOTS
2015-2016 Budget - ‘A véritable projet de société’, says Finance Minister

‘A véritable projet de société requiring tough and bold decisions to be taken for a better future for ourselves and our children’: This is the backdrop set by the Minister of Finance and Economic Development, Mr Vishnu Lutchmeenaraidoo, while presenting the January 2015-June 2015 and July 2015-June 2016 budgets at the National Assembly on 23 March 2015.

Mauritius is at the crossroad on all fronts and the development paths taken till now have reached their limits. It is imperative for us to make the hard choices and put the country on the right path ahead, the Minister stressed.

‘However, it will not be enough to plan for the creation of greater national wealth. We also need to be concerned with better sharing’, the Minister said. Accordingly greater sharing underscores all the main policy decisions in the 2015-2016 Budget.

The Minister of Finance defined the four main objectives behind the Budget, as follows:

- Steer the economy towards a path of high investment, and high employment.
- Secure long term sustainable development for all.
- Achieve greater equity and social justice for one and all.
- Promote transparency and good governance in the management of public affairs.

A major feature of the Budget is the unlocking of 13 employment-rich mega-projects that will be spread across the country. The level of investments would be around Rs 120 billion rupees, with prospects for the creation of a very high number of jobs. Eight of these projects will be designed on the ‘Smart City’ concept. The five other projects relate to the creation of technopoles on a regional basis.

Another stand out measure is enhancing the SME sector so that it becomes a backbone of the economy. A comprehensive “One Stop Shop” approach is being introduced, along with the setting up of a SME bank that will provide seed capital to entrepreneurs without any need for personal guarantee. The number of permits and licenses for doing business will be streamlined and reduced to the strict minimum.

The Budget also introduces a major innovative approach in dealing with the problem of poverty. A new ‘parrainage’ concept under the Marshall Plan against poverty will allow institutions contributing to CSR to directly take under their wings unsustainable pockets of poverty in the country for the short, medium and long term development of these areas.

Other measures

- Transforming Port-Louis Harbour from a Destination Port into a Regional Hub
- New direction to manpower training and development with the specialised use of the three campuses presently under construction, along with a special training scheme for the
Mauritius and Austria
Tax Information Exchange Agreement Signed

A Tax Information Exchange (TIE) Agreement, which lays the groundwork for Mauritius and the Federal Government of Austria to embark on new avenues of economic cooperation, was signed on 10 March 2015 in Port-Louis.

The signatories were the Minister of Finance and Economic Development, Mr Vishnu Lutchmeenaraidoo, and the Ambassador Extraordinary and Plenipotentiary of the Federal Republic of Austria, Mrs Brigitte Oppinger-Walchshofer.

The agreement with Austria is the 10th TIE that Mauritius has signed with a view to help the country best capture the benefits of what globalisation can offer to an upper-middle-income economy such as ours. Government is currently exploring new strategic alliances with partner countries and, in this context, Mauritius is looking at new possibilities to develop economic and business ties with Austria.

The TIE agreement will help establish new air links between the two countries. Austrian Airlines will start a weekly service to Mauritius as from the month of October 2015 which will help unlock new openings for tourism and business travel, given that there are currently no direct flights between the two countries.

The coming into operation of the TIE Agreement will also help expand the space for business ventures between Austria and Mauritius. It will facilitate investments and trade within a framework of exchange of information between the respective Tax Authorities, and raise the level of compliance and disclosure in business transactions that take place along the bilateral route.
Chagos Archipelago
Marine Protected Area violates international law, rules UN Arbitral Tribunal

The United Nations Arbitral Tribunal has held that the marine protected area (MPA) which the UK purported to declare around the Chagos Archipelago in April 2010 violates international law. The Ruling was delivered on 18 March 2015 by the Arbitral Tribunal under the United Nations Convention of the Law of the Sea (UNCLOS).

The Tribunal has declared that, in establishing the MPA surrounding the Chagos Archipelago, the UK has breached its obligations under various articles of UNCLOS.

The Tribunal has further decided to dismiss the UK’s application for costs since Mauritius has succeeded in significant part on its Submissions.

In addition, in a Dissenting Opinion, two members of the Tribunal have stated that, among others, the UK is not the “Coastal State” in regard to the Chagos Archipelago and that the excision of the Chagos Archipelago from Mauritius in 1965 shows a complete disregard for the territorial integrity of Mauritius by the UK.

It is recalled that in pursuance of our ongoing struggle for sovereignty over the Chagos Archipelago, Mauritius initiated on 20 December 2010 proceedings against the UK under the UNCLOS to challenge the legality of the MPA. Since Mauritius and the UK did not agree on the means for the settlement of the dispute, it was submitted to arbitration in accordance with Annex VII to UNCLOS.

After lengthy written pleadings by the Parties and a hearing from 22 April to 9 May 2014 in Istanbul, Turkey, the United Nations Arbitral Tribunal gave its Award which is final and without appeal, and is binding on both Parties. It has been made public on 20 March 2015.

The Dispute

The UK established a MPA around the Chagos Archipelago and administered it as the BIOT (British Indian Ocean Territory). The MPA extends to a distance of 200 nautical miles from the baselines of the Chagos Archipelago and covers an area of more than half a million square kilometres.

According to Mauritius, the establishment of the MPA by the UK violates the 1982 UNCLOS to which Mauritius and the UK are party, and other rules of international law. Mauritius made four submissions in the arbitration proceedings requesting the United Nations Arbitral Tribunal to find that:

- The UK is not entitled to declare an MPA or other maritime zones because it is not the “coastal State” for the purposes of the Convention;
- Given the commitments that it made to Mauritius, the UK is not entitled unilaterally to declare an MPA or other maritime zones because Mauritius has rights as a “coastal State” for the purposes of the Convention;
- The UK may not prevent the Commission on the Limits of the Continental Shelf from acting on any submission that Mauritius may make regarding the Chagos Archipelago; and
- The MPA is incompatible with the UK’s substantive and procedural obligations under the Convention and the UN Fish Stocks Agreement.

The Findings of the Tribunal

The United Nations Arbitral Tribunal has made a number of important findings: it considered in detail the undertakings given by the United Kingdom to the Mauritian Ministers at the Lancaster House talks in September 1965. The UK had argued that those undertakings were not binding and had no status in international law. The Tribunal firmly rejected that argument, holding that those undertakings became a binding international agreement upon the independence of Mauritius, and have bound the UK ever since.

It found that the UK’s commitments towards Mauritius in relation to fishing rights and oil and mineral rights in the Chagos Archipelago are legally binding.
The Tribunal also found that the UK’s undertaking to return the Chagos Archipelago to Mauritius when no longer needed for defence purposes is legally binding. This establishes that, in international law, Mauritius has real, firm and binding rights over the Chagos Archipelago, and that the United Kingdom must respect those rights.

The Tribunal went on to hold that the United Kingdom had not respected Mauritius’ binding legal rights over the Chagos Archipelago. It considered the events from February 2009 to April 2010, during which time the MPA proposal came into being and was then imposed on Mauritius.

**Investor-State Arbitration**

**Signing of UN Convention on Transparency hosted by Mauritius**

*Mauritius hosted the signing ceremony for the United Nations Convention on Transparency in Treaty-based Investor-State Arbitration (Mauritius Convention on Transparency) on 17 March 2015 at Intercontinental Hotel, Balaclava. The ceremony was preceded by a one-day Conference on Investor-State Arbitration held at the same venue.*

The Minister of Foreign Affairs, Regional Integration and International Trade, Mr Etienne Sinatambou, signed the Convention for Mauritius. Other signatory parties were: Canada, Finland, France, Germany, Sweden, United Kingdom, and United States.

Adopted by the UN General Assembly in December 2014, the Convention is an instrument by which Parties to investment treaties express their consent to apply the Rules on Transparency in Treaty-based Investor-State Arbitration of the United Nations Commission on International Trade Law (UNCITRAL) to their existing investment promotion and protection agreements concluded before 1st April 2014.

The Mauritius Convention on Transparency is now open for signature at the United Nations Headquarters in New York. It will enter into force six months after the deposit of the third instrument of ratification, acceptance, approval or accession.

**The Conference on Investor-State Arbitration**

The one-day conference, which addressed issues relating to investor-State arbitration and human rights; and, Arbitration and Access to justice, was attended by around 200 local and foreign participants.

Presentations focused on the following:

- How to ensure that human rights norms and standards inform law-making related to trade and investment at the national level;
  - Transparency, accountability and access to information as important values in treaty-based, investor-State arbitration;
  - Mauritius Convention on Transparency, a means to effectively address issues in the field of treaty-based investor-State arbitration;
  - Places for regional arbitration – The experience of Mauritius; Investment arbitration in Africa; General framework – UN contributions to the development of arbitration; and
  - Relevance of transparency for setting up dispute settlement mechanisms.
Technology, Communication, Innovation

Vision for coming 5 years explained by Minister

The Vision and the Action plan for the Technology, Communication and Innovation sector for the next five years was defined on 19 March 2015 during a press conference by the Minister of Technology, Communication and Innovation, Mr Pravind Kumar Jugnauth, in the Lunch Room of the National Assembly. The implementation, over the coming five years of A Smart Mauritius Strategy based on the ultra-high bandwidth concept, was also announced. The aim is to enhance the ICT sector’s contribution in the development of Mauritius and making the country an ICT hub.

The Vision and Action Plan aim, amongst others, at making the ICT and Innovation sector a stronger pillar of the economy; creating more than 20 000 jobs in the second cyber-city; and positioning the Mauritius as a competitive, trusted, safe and secure ICT and outsourcing destination.

Making of A Smart Mauritius

The Making of a Smart Mauritius Strategy will focus on enhancing substantially the quality of life of Mauritians in general through the adoption of innovative practices and technologies. It will revolve around five strategies:

- Creation of a second Cyber city so as to make the ICT sector a strong pillar of the economy with the objective of attaining a growth of two digits during the next years.
- Offering large bandwidth internet connectivity at a competitive and affordable price through substantial enhancement of the telecommunications infrastructure of the country.
- Encouraging innovation and adopt innovative technologies through a National Innovation Programme.
- Creation of jobs to increase the employability of youth in the ICT sector and also creation of the necessary platform for training and education.
- Putting to the forefront the know-how in the ICT field and develop an Africa Strategy.

The second Cyber city will evolve around Techno Parks and will house important ICT and outsourcing companies which will offer their high value-added services such as cloud computing, Internet-of-Things, disaster recovery centres, and outsourcing services in the finance domain. It is expected that the new Cyber city will create more than 20 000 jobs in the coming years.

A complete transformation of the country’s existing internal telecommunications infrastructure will be accomplished through the Strategy. The objective is to increase internet connectivity from ten to 100 times more than the existing one in households and enterprises.

Government is targeting to move from 1 megabyte to 10 megabytes for the same price on the short term and the objective is to reach 100 megabytes in five years as regards ensuring higher connectivity. Work is underway with operators to enhance speed quality.

Higher connectivity, Job creation and Cyber security

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by keeping the price unchanged and offer value for money by warranting that internet users can at least benefit five times more speed for the same amount before the end of April 2015.

Also, it is expected that by December 2015 more than 350 Free WIFI zones will be operational so as to reduce the digital gap. A plan is being elaborated to connect by December 2015 more than 60% of households to high broadband internet connectivity. Besides, to allow the country get better internet access, Mauritius will be connected to an independent third submarine fibre optic cable.

Regarding job creation, a vast training programme with industry-led courses targeting young people who want to embrace a career in the ICT/BPO sector will be offered. In this endeavour, less traditional BPOs will be targeted, that is Knowledge Process Outsourcing such as the accounting, legal and medical spheres.

National Innovation Programme, Africa Strategy and Cybersecurity

The National Innovation Programme will offer a lot of opportunities particularly to young people to exploit their creativity and their capacity to innovate. It will be in fact a Government fund for individuals, enterprises and even governmental organisations which will propose innovative technology-related ideas and which will help to enhance the quality of lives of the population. Over and above innovation in the ICT sector, the Programme will also consider projects in different fields such as renewable energy, agriculture and SMEs, amongst others.

The development of an Africa Strategy will position the country as an ICT hub for the African continent. Mauritius will set itself to exploit the vast opportunities that Africa has to offer in several fields where it has a competitive advantage such as program development, operation of data centres, e-Government, and operation of Cyber Towers.

All development in the ICT field and in the Innovation sector will take into consideration the aspect of cybersecurity. A mechanism will be set up shortly to better address cybercrimes, cyber threats and attacks.