

MINISTER'S INTERVENTION

HON SUDHEER MAUDHOO

MINISTER OF BLUE ECONOMY, MARINE

RESOURCES, FISHERIES AND SHIPPING

BUDGET 2020-2021

Mr Speaker Sir

This is my first address in this August assembly at a time when Covid 19 pandemic is still posing serious challenges all over the world.

With your permission, Mr Speaker Sir, I wish to say a few words on the pandemic and how successfully we have been able so far to bring the crisis under control. After that, I will intervene on the Budget Speech 2020-2021.

In fact, it's no small feat for a small country like ours, with very limited resources, to have assured the safety of our population. This has been possible due to the vision of this government, the leadership of the Prime Minister who worked round the clock the situation with the Minister of Health and Wellness and my other colleagues.

During the crisis, we owe our gratitude to the unstinted commitment shown by front liners--doctors, nurses, paramedics, and the police, among others. It's thanks to them and their dedication that this country is breathing again.

I am glad that the Minister of Finance has, on behalf of this Government and the population at large, has deemed it fit and proper to offer a token monetary benefit to all the front liners. We will never forget what they are doing and have done so far for the country.

Mr Speaker Sir,

We are all aware how the crisis has maimed many productive sectors and worsened health-care facilities in many countries.

In some countries, the crisis is stretching health-care facilities to the limit, as shortages of both staff and resources place intense pressure on services. There are harrowing accounts from doctors, nurses and paramedical staff on the front line. The struggle to control pandemic is still on-going.

Unfortunately, here, in spite of the good work by the Government and those on the front line, there has indeed been some criticisms--most of the time unjustified and unwarranted-- regarding what should, and what should not have been done, and the timing of certain decisions taken by Government.

Most of the criticisms were made without any proper analysis and without any reliable or credible facts.

They were the products of some imagination geared at mud-slinging and create a perception that Government was doing nothing.

Such attacks, often vitriolic, were unjustified and unwarranted because like governments elsewhere, we also, in Mauritius did not have a magic wand in hand to address the unknown and deadly virus.

Many have compared us with other countries, and implied- without much real insight or analysis - that we too should have adopted the same practices.

However, Mr Speaker Sir, we are all aware that the international observers have stated that the initiatives taken in Mauritius have been in line with those taken by a number of countries that have successfully managed the crisis.

Our ability to come up with timely health initiatives, telecommunication initiatives, digital Work Access Permits, the delivery of the BeSafeMoris App as well as daily and transparent communication to the Nation have been acclaimed by both regional and international observers.

Another criticism which we still unfairly face is our position on refusing access to cruise vessels into our Port, and not allowing those on that boat to disembark.

This is of direct concern to me as Shipping and the welfare of seafarers fall under my portfolio. However, I must point out that my colleague, Honourable Nand Kumar Bodha and his team, are working day and night to address the intense logistical requirements to bring back home our citizens stuck abroad. **But** he has not done so by putting at risk the health of our people which remains our main concern.

I am making an appeal to our brothers and sisters to be courageous. We do understand the anxiety of these people and their families.

Rest assured that our Government under the leadership of our Prime Minister will leave no stone unturned.

Mr Speaker Sir, with your permission, it is important that I highlight to the House the case of the Ruby Princess Cruise ship, which was allowed to dock in Sydney, Australia.

The role of allowing this Cruise ship is so significant in the COVID-19 in Australia that a special commission has been set up to investigate who is to be blamed for the 21 deaths and almost 700 cases of COVID-19 cases linked to its docking.

I felt the need to highlight this particular case, Mr Speaker Sir, as often, it is too easy to only use emotions to fuel our views on what should be logistically done, or still, we all become wise after the event. But the reality is different.

No Government can claim that its handling of the pandemic was text-book perfect. There was no text-book recipe or formula. What we did here and still do is to inform whatever decision we make based on expert advice, in consideration for the greater good of our people, and with the resources at hand.

What is important for us to do, is to learn from things which could have been done better, and continue to refine our responsible approach.

Monsieur le président,

Maintenant, tournons-nous vers le Budget 2020-2021. Tout parti politique qui forme un gouvernement a certaines responsabilités sociales, politiques et économiques.

Vous serez d'accord avec moi, j'en suis convaincu, dans un pays comme le nôtre, avec une profonde diversité sociale, culturelle, religieuse, politique et économique, l'équilibre budgétaire n'est pas un jeu d'enfant.

Il est extrêmement important que le gouvernement partage judicieusement les ressources. Divers facteurs tels que l'élévation et l'aide à des couches défavorisées de la société, la facilitation de l'inclusion financière, l'atténuation des disparités, l'amélioration des capacités de défense, de l'ordre et de la paix, une meilleure santé pour tous, la fourniture d'installations éducatives appropriées,

combler le fossé entre les riches et les pauvres, entre autres, doivent être pris en compte.

Et cela, je crois, et comme moi, la population dans son ensemble, est convaincue que le ministre de Finance a fait un travail fantastique, un coup magistral, un coup de maître dirais-je, pour son tout premier budget et aussi le premier de ce gouvernement dont j'ai l'honneur d'appartenir.

Malheureusement, Monsieur le Président, nos amis de l'opposition ne peuvent voir et apprécier les efforts incessants de ce gouvernement, en particulier pendant cette pandémie de Covid 19.

Après avoir entendu quelques membres de l'opposition dans cette même assemblée et lu leurs commentaires dans les médias, j'ai le sentiment que lorsque le budget a été présenté, ils étaient dans un profond sommeil, confinés dans un monde confiné par eux-mêmes pour s'occuper des commentaires post-budgétaires puérils et ridicules.

L'ironie, c'est, qu'ils ronflent dans un profond sommeil quand ils devraient être éveillés et qu'ils se réveillent quand ils devraient dormir.

Sinon, comment interpréterait-on leurs commentaires post-budgétaires aussi irresponsables comme des "balles masquées", « ce budget est tout sauf équilibré, « décevant, » « réchauffer » ainsi de suite.

Leur vocabulaire de critique négative n'a ni grandi ni changé pendant des années, il est resté stéréotypé, la plupart du temps dénué de sens.

ONE CANNOT EXPECT ANYTHING NEW OR CONSTRUCTIVE FROM THEM.

Ignorance and blind anger have no limit. They are engaged in auto-destruction.

I recall former Prime Minister, Sir Anerood Jugnauth, telling one of them, in this very House, and ..I quote, « **you think you know too much, that's why you are are 'foututed' and 'bezeted'.** »

Yes sir, our opposition, even today, remains « **foutited and bezeted** » in its self-imposed confinement of obsolete, and irrelevant remarks. It's better not to give a second thought to their ramblings.

We live in the era of smart phones and some stupid people.

On the social media and some written press one can express anything behind the wall. It's strange that a few people choose to be always stupid by their actions and remarks. We can do nothing about them except wish good luck to all those who cannot see beyond the tip of their nose and live in a world of their own subversion.

Monsieur le President

Le Budget 2020-2021 est non seulement un budget bien planifié et bien équilibré, mais aussi de la plus haute importance pour assurer la stabilité

économique et la croissance. Le ministre a souligné
à juste titre, et je cite:

**« Le défi est de taille mais notre réponse n'en pas
moins historique » ...Fin de citation.**

Mr Speaker Sir

BUDGET 2020/2021

The Budget Speech 2020-2021 has been prepared
and delivered in a very particular context when the
world and humanity at large have been hit where it
hurts the most, that is, not only our physical

movement has been jeopardised but also our production and distribution network have been paralysed, bringing the world economy to a meltdown, if not standstill.

Our country, having its own specificities in terms of size, remoteness from the major markets, as well as being a net importer nation, has not been spared.

It is against such an uncertain and gloomy backdrop that this Government has dared to present a budget that is realistic, “**prevoyant et stimulant**”, with a good dose of solidarity among our citizens.

Indeed, Mr. Speaker, Sir, this budget reflects its main philosophy of “Our New Normal: The Economy of Life”. It sets the tone and pace for a new dynamism and also a new mind-set post Covid 19. Nothing will be as it used to be. It is no longer business as usual. It is not back to normal. It is reinventing the new normal.

We need to all, as one common man, affront the new challenges and exigencies of the changed landscape and develop a New Normal that will restore the life and livelihood of our citizens with more confidence and certainty.

For this to happen, we have to ensure that the three cardinal principles underlying the 2020- 2021 Budget Speech is properly followed and implemented. These are:

(a) boosting up our economy through the Investment Plan,

(b) engaging in major structural reforms, and

(c) ensuring a sustainable and inclusive development for each and every Mauritian.

Mr, Speaker, Sir, the Blue Economy has the potential of becoming a key pillar of our economy.

In the wake of the COVID-19 Pandemic, the Blue Economy has assumed another dimension as the need to ensure food security; job retention and sustainability are now among the highest priorities on our socio-economic development agenda.

Currently the Blue Economy contributes up to 10 % of the country's GDP.

The planned expansion of the Blue Economy has the potential to further contribute towards the development of our country, in terms of economic growth, diversification and reduction in both poverty and social inequality. Blue Economy covers the traditional sectors amongst others the fisheries, seafood processing, marine resources, ocean energy and shipping.

Mr Speaker Sir,

I wish to inform the House that Small Island Developing States such as Seychelles are today in a strong position.

Today Seychelles have their own national fleet and they are maximising the benefits from Tuna Fisheries.

Monsieur le President,

Avec seulement 95, 000 habitants, les Seychelles génère bien plus d'argent que Maurice dans le secteur de l'économie bleue.

Maurice doit absolument emboite le pas aux Seychelles. Le développement de l'économie bleue aux Seychelles est un exemple pour tous les petits états insulaires de la région, y compris Maurice.

Nous avons besoin des entrepreneurs avec des nouvelles idées innovatrices pour développer nos océans de façon durable et profitable.

Nous avons assez perdu de temps. Il y a eu suffisamment de débat d'idées, sans grande action. Il est temps de passer à l'action.

Ces idées qui consistent à développer notre économie bleue, doivent plus-que jamais devenir une réalité à Maurice.

The fisheries sector, which is an important component of the Blue Economy will have to assume new roles and responsibilities in view of the challenges ahead. It has to emerge as a major player in our food security strategy, to be one of the main source of foreign currencies and to create sustainable employment.

The objective is to increase significantly the contribution to GDP of our country.

Mr Speaker Sir, our sea is the **only** natural resource which remain to be tapped. Unfortunately, our large Economic Exclusive Zone (EEZ) is mainly exploited

by foreign countries with the target species being mainly Tuna.

The Mauritius Investment Corporation (MIC), as stated in the 2020-2021 budget, has provided our country an opportunity to set the base for a fishing industry in a large scale in our country. The MIC will invest massively in this industry which is expected to become a key pillar of our economy in the coming years. This is an opportunity for the local investors to come up with projects and to enter into joint ventures with MIC to develop this industry which will be geared towards expanding our export to generate foreign currencies. MIC investment will

focus towards industrial pelagic and demersal fishing.

Pelagic industrial fishing concerns different species of Tuna in or EEZ.

Currently the reported catch of foreign vessels in our EEZ is 55,000 tons per year. At the lowest price of unprocessed Tuna of \$ 2,000 per ton, the catch value of foreign vessels in or EEZ represents approximately 4 billion rupees annually. We expect to reduce these foreign vessels in a phased manner and to replace them by Mauritian vessels with the support of MIC and local investors. Our Tuna will

go through the value chain for export which is expected to generate thousands of jobs and inflow of foreign currencies.

Mr Speaker Sir,

Under the MIC, local investors will be called to submit projects with respect to the industrial demersal fishing. The objective is to enhance demersal industrial fishing to contribute to our food security and also to reduce our imports of fish.

In this line Government is envisaging these investors to also export 50 % of their catch to enable the country to generate foreign currency

Mr. Speaker Sir,

Government has, in the Budget 2020-2021 put a lot of emphasis on surveillance of the EEZ to detect and deter illicit activities, including Illegal, Unregulated and Unreported (IUU) fishing. Illegal, unreported and unregulated fishing lead to tremendous losses in terms of revenues accrued to national GDPs from fishing and fish trade.

To this end, the Fisheries Protection Service (FPS) of my Ministry will work in close collaboration with the National Coast Guard to track in a forceful manner IUU.

My Ministry will also review the licensing conditions for foreign fishing vessels and impose stricter measures for vessels found to be engaged in IUU.

Additionally, the Vessel Monitoring System Regulations (2005) will be reviewed and updated to provide for maximum usage of information gathered through this system to combat IUU. The Fisheries Protection Service of this Ministry will be called upon to play a more active role in the management of the Vessel Monitoring System.

Mr Speaker Sir,

We have currently 35 semi industrial bank fishing vessels with a catch of 2,000 tons annually. We expect to increase this fleet to 100 semi industrial fishing vessels over the coming four years so as to boost up the catch to 6,000 tons yearly. As a major incentive, Government is envisaging to allow them to export 40% of their catch

The current grant scheme of 12 million rupees for these semi industrial fishing vessels will be reviewed to allow more promoters to benefit from the scheme and to purchase vessels so as to increase the local fleet.

I am pleased to announce the House that an ice making machine will be installed in the port area to provide ice for these fishing vessels.

Mr Speaker Sir,

We are also envisaging attracting entrepreneurs to exploit our resources at St Brandon Island. Our intention is to attract investors to explore the resources in St Brandon.

Projects like dried fish, dried octopus as well as fresh fish is viable there.

Mr Speaker Sir,

As a caring Government, we will continue to give special consideration to our artisanal fishermen.

Under the Canot Scheme, a grant of a maximum of Rs 200,000 representing 50% of the cost is provided to the registered fishermen. In this Budget a provision of Rs 4 million has been made for the purchase of 20 canot. I am pleased to announce that an Expression of Interest has already been launched with the closing date by the end of this month.

In addition to the existing FADs around the island, my Ministry will install a second outer ring of FADs further off-shore to facilitate our fishers in their catch.

The newly acquired multi-purpose fishing vessel, Investigator II, of the FiTEC will be actively involved along with the other two local boats to set up FADs and would provide training in long-line fishery in order to ensure that there are adequately trained fishers on the labor market.

Mr Speaker Sir,

The Fishermen Welfare Fund will be revisited. My Ministry will increase the number of scholarship offered to children of fishers.

The Seafarer's Fund will be also revived. Already our support to the Trevessia House increased from Rs 100,000 to Rs 300,000 monthly. A new minibus will be put at the disposal of seafarers for them to travel all around the island. In addition, we would also fund the purchase of gym equipment for seafarer'

Mr Speaker Sir,

The Blue Economy is not limited to our waters outside of our territory. And it is in recognition of this fact, that this budget has introduced a number of forward-thinking financial incentives to all those who wish to participate in its development.

The Inland Aquaculture Scheme openly invites, through its attractive taxation structure, investment which will see an 8-year tax holiday.

Yes, 8 years. This generous, forward-looking measure is unmatched, and again validates this Government's commitment to open, genuine and sustained success of Blue economy.

Add to this, **Mr Speaker Sir**, the exemption this Budget provides no Duty and VAT on equipment which investors will inevitably require growing their own ventures. This Budget recognizes the value of this sector, as many Governments throughout the world have done. We, in Mauritius are today demonstrating our faith with these incentives. Our Government is determined in removing all hurdles that could prevent this project in achieving success.

The Albion Fisheries Research Centre of my Ministry will be revamped to ensure the prompt implementation of the measures. The focus will also be on the production of high value species, as well as local species such seabass, blackbass, shrimps and prawns.

Mr Speaker Sir,

I note with interest that le Plan de Relance de L'Investissement et de l'Economie includes the development of a strong biomedical and pharmaceutical industry.

The marine environment constitutes an infinite resource of valuable novel bioactive compounds from marine organisms such as bacteria, algae, sponges, and molluscs among others. Bioactive compounds from these organisms are effectively used in new therapeutic agents, human nutrition with highly specific target molecules especially enzymes. Sustainable use of these marine-based natural products would help in modern-day applications of pharmaceutical, cosmetic and food industries.

Mr Speaker Sir,

My Ministry will also carry out surveys on potential new Marine Protected Areas. Our lagoons need to be restored. Scientists are already working and exploring different sites in Mauritius, for example in Palmar and Trou aux Biches

The Albion Research Centre will therefore double its effort in coral farming projects. We will also review the project of a Marine Park at BalACLava.

As announced in the budget, Mr Speaker Sir, a single licence for chartered yacht calls in Mauritius will be introduced encompassing multiple berthing options.

With its business-friendly legislative framework and other fiscal incentives in place, Mauritius may be considered to be at par with other well-established, open ship registers. Moreover, the Mauritian Flag has, over the years, acquired the reputation of being reliable and untarnished.

As part of Government's initiative to boost ship registration and encourage the expansion of ancillary services especially during these difficult times of the Covid-19 pandemic, the niche market of yachting is now being targeted. Yacht registration, which covers the registration of private, and superyachts, and including commercial yacht chartering, is a particular market segment with special requirements, both from the technical and legal perspective.

Over and above the registration, it is the ripple effects of such registration on the Mauritian economy which are sought, such as ship financing and ship management, and more importantly, the employment of Mauritian seafarers on board these vessels

Following the Standards of Training, Certification and Watchkeeping (STCW) submissions made by the Shipping Division, the Secretary General of the International Maritime Organisation (IMO) has informed that the Republic of Mauritius has demonstrated to have given full and complete effect

to the relevant provisions of the STCW Convention, as amended.

Furthermore, as Mauritius has successfully completed its STCW third cycle evaluation, Mauritius remains on the IMO “STCW White List”. STCW certificates issued by Mauritius are duly recognised by IMO parties.

My Ministry has been informed that for the first time, cruise vessel owners intend to recruit Ratings from Mauritius in navigational and marine engineering fields. Opportunities also exist for carpenters and fitters.

As my Ministry has already approved, authorized and circulated the required STCW guidelines for Rating courses to the two approved maritime training institutions, namely, the Mauritius Maritime Training Academy and Acropolis Training Institution, it will set up a training Programme with the Mauritius Maritime Training Academy to ensure that ratings in the navigational and marine engineering fields are trained by February 2021 so that they could secure the jobs being offered by the cruise lines.

Mr Speaker Sir,

A new shipping vessel will be delivered before the end of next year to service the Mauritius-Rodrigues route and outer islands.

Monsieur le Président,

Mon message aujourd'hui serait incomplet sans parler de mes amis pêcheurs. Occupé le poste du ministre de la pêche m'a donné l'occasion de rencontrer la communauté des pêcheurs pour la première fois et d'être à l'écoute de ces personnes très humble.

Ces moments resteront gravé a jamais dans ma mémoire, car ils m'ont poussé à me mettre dans la peau de ce petit pêcheur qui tous les jours, risque sa vie pour s'aventurer en mer, afin de nourrir leur famille. Ça m'a donné l'occasion de partager des moments inoubliable.

Monsieur le President,

J'ai discuté avec Judex Ramphul, le président des syndicats de pêcheurs, Arnaud l'Enflet représentants des pêcheurs a la senne. Sans oublié Alain de Poste de Flacq ou même Sheila et Baiji de Belle Mare. Et comment oublié Sophie de Mahebourg.

Ils ont tous formulé des propositions pour améliorer leurs conditions de travail. Pour en citer quelques-uns :

1. Autoriser les fédérations des pêcheurs à acheter ou importer leur équipements de pêche eux-mêmes, afin qu'ils bénéficient d'un meilleur prix.
2. Revoir les dimensions de filet pour la pêche à la senne
3. Revoir la période de fermeture et l'ouverture de la pêche à la senne
4. Autoriser les pêcheurs à la senne à s'aventurer hors lagon.

5. Offerts des matériaux pour la construction de leur casier.

6. Réaménagement et embellissement des débarcadères à travers l'île

7. Ou encore l'augmentation du Bad Weather Allowance.

Ces demandes Monsieur le Président sont pour moi trop logique et juste pour ne pas les réaliser.

D'où la décision de ce gouvernement de prendre l'engagement pour faire de ces demandes une réalité dans les jours à venir.

En tant que ministre de la pêche, je donne l'assurance aux pêcheurs que leurs demandes ne sont pas tombé dans l'oreille des sourds.

La preuve Monsieur le Président,

Le gouvernement a une nouvelle fois augmenté l'allocation accordé aux pêcheurs pour le mauvais temps passant de Rs 365 à Rs 425, soit une augmentation de 100%. Une hausse sans précédent. Et dire que certains ici dans cette chambre osent nous montrer du doigt !

Je crois ces personnes ont la mémoire courte. Avant 2014, le Bad Weather Allowance était de Rs 210 Monsieur le Président. L'ancien gouvernement avec Navin Ramgoolam comme Premier Ministre et Xavier Luc Duval comme ministre des finances, avait présenté au moins trois budgets. Nul n'avait trouvé utile d'augmenter cette allocation. Et aujourd'hui ces mêmes personnes essaient de nous faire la leçon.

C'est un fait que c'est Pravind Kumar Jugnauth qui a constamment augmenté le Bad Weather Allowance a son arrivé aux Finances.

Et aujourd'hui, au nom de mes amis pêcheurs, je tiens à remercier notre Premier Ministre et mon collègue le ministre des Finances, qui malgré un contexte financier difficile, a annoncé une nouvelle hausse.

Yes Mr Speaker Sir,

This is what we call a caring government.

Moreover, Mr Speaker Sir,

My Ministry will encourage fishermen to participate fully in our community base project, that is, Seaweed cultivation in our lagoon.

This pilot project with the assistance of Japan will benefit the fishermen community.

Another major difficulty faced by fishermen, is the passage for their boat entrance. What we call 'La Passe' in Mauritius. I am pleased to announce that my Ministry has already earmark Rs 25m for the dredging of 'La passe de Mahebourg' and another Rs 5m for the same exercise at Le Batelage, Souillac.

Mr Speaker Sir,

To conclude, allow me to quote Nelson Mandela:

“The greatest glory in living lies, not in never falling,

But in rising, every time we fall.”

Mr Speaker, Sir,

This Budget shows maturity in the fact that it recognises the need to not only create but also sustain win-win structures for the long term.

This Budget may be called 2020-2021 budget but in my eyes Mr Speaker Sir, this budget which puts concrete measures for a sustain success of our blue economy for decades to come.

Such a vision should be applauded.

Thank you very much for your attention.