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1. Executive Summary

Compared to the previous years, 2006 has seen an improvement in the overall economic situation as reflected in key economic indicators. In the period 2001-2005 in fact, trade liberalization pressures and the loss of preferential access to export markets, resulted in slow down in the economy with critical social consequences.

To respond to the global challenges, the Government has launched a major ten years economic reform programme and the Multi Annual Adaptation Strategy for the sugar sector. The reform strategy proposed by the newly elected Government (2005) has been welcomed by the business community who responded with increased investments. At the same time, Government is committed to increase the economic opportunities of vulnerable groups and has launched an ambitious Economic Empowerment Programme in the budget. Key development partners, as AFD, WB and ADB also support the Government reform with increased aid envelopes mainly channelled via budget support.

The reform programme also provided the basis for the reorientation of the EC strategy under the 9th EDF, following End of Term review, as well as a perspective for the 10th EDF to move toward general budget support for the major part of the National Indicative Programme.

As regards to 9th EDF ongoing programmes, changes have been introduced aiming at strengthening the institutional capacity building component in the wastewater sector budget support programme and at facilitating NSAs participation and access to the calls for proposals launched in the context of the Decentralised Cooperation Programme.

The dialogue with the Government and NSAs being already satisfactory, all parties are committed to further strengthen it in light of commitments taken to enhance good governance.

2. Update on the political, economic, social and environmental situation

2.1 Update on the political situation

Parliamentary democracy has been functioning smoothly but new reforms of the Judiciary have been proposed by Lord Mackay in 1997 and 2006 upon request of the Government. Accordingly, the Government is planning to restructure the Supreme Court into a High Court of Appeal and a Court of Appeal, which will result in a permanent Division of the High Court hearing first instance criminal cases throughout the Court term. A separate Director's of Prosecution Office will be created to reduce backlog and statutory time limits will be introduced for instituting proceedings before court. These measures have been included in the list of governance commitments made by the Government in the context of the 10th EDF programming (see Annex II).

On the political front, no national or local elections or change in Government took place in 2006, except for early elections to the Regional Assembly of Rodrigues, which is constitutionally decentralised from the mainland Mauritius since 2001. There are two major parties in Rodrigues, namely the Organisation du Peuple Rodriguais (OPR) and the Mouvement Rodriguais (MR). The party which is currently holding office is the MR, headed by Mr Johnson Roussety, who acceded to the post of Chief Commissioner since August 2006, following the resignation of the OPR and the anticipation of the elections from August 2007 to 10th December 2006.

2.2 Update on the economic situation

Mauritius is a small island economy in the Indian Ocean with a population of 1.2 million people and an income per capita of US\$5,275. From 1968-2004, per capita GDP growth averaged 3.8%¹, as successive waves of diversification transformed the country from a mono-crop sugar producer to an exporter of sugar, textiles and clothing, tourism and financial services. The recent economic shocks (namely higher international oil prices and loss of trade preferences in textiles and sugar sectors) coupled with structural rigidities in the domestic economy have exacerbated the precariousness and vulnerability of the economy. Consequently, the economic growth rate fell from a high of 4.8% in 2004 to 2.2% in 2005 but recovered in 2006 to 5.0 %, driven by foreign investments and growth in emerging sectors.

In response to recent exogenous shocks and an unfavourable macroeconomic environment, namely a slowdown in the economy and rising unemployment, the Government has initiated a ten-year bold reform (estimated at Euro 4 billion) focusing on four main pillars, namely

- Fiscal Consolidation and improving public sector efficiency
- Improving trade competitiveness
- Improving the Investment Climate
- Democratizing the economy: participation, social inclusion and sustainability

The Mauritius Multi-Annual Adaptation Strategy 2006-2015 for the sugar sector, adopted by the Government in April 2006, and published in November 2006 forms an integral part of this comprehensive ten-year economic reform programme.

The economy is picking up slowly with a growth rate of 5.0% in 2006 compared to 2.2% in 2005. This revival in growth is due to a recovery in both the EPZ and non-EPZ manufacturing sectors, and the expansion in the construction, business and financial services sectors. The sugar sector was still performing below average although a lower contraction of 2.9 % was registered in 2006 compared to negative growth rate of 9.2% in 2005. Growth in the tourism sector was also well below target, registering a growth rate of only 3.5% in 2006 compared to 5.6% in 2005 as a result of the vector disease, Chikungunya.

Inflation rate as measured by the Consumer Price Index, decreased from 5.6% in financial year 2004/05 to 5.1% in financial year 2005/06. However, the price level has picked up significantly in the second half of 2006 as a result of direct and indirect impact of the one-off budgetary measures and the pass-through effect of the depreciation of the rupee. The unemployment rate which was 9.6% in 2005 declined slightly to 9.1%. Among the unemployed, about a quarter are primary school drop-outs of which two-thirds are women.

Excluding the acquisition of aircraft and marine vessel, investment increased by 4.6% in 2006, compared to -2.1% in 2005. The investment rate has however stabilised at around

¹ Average GDP growth for the same period was 6 percent.

21.3% over the last two years. The share of public investment declined from 29.8% to 23.8% during that period. The national savings rate declined from 17.3% in 2005 to 16.2% in 2006. Foreign Direct investment had reached Rs 7.2 billion at the end of 2006 compared to Rs 2.8 billion in 2005. Given the openness of the economy, the prolonged effects of external shocks and the resultant adverse terms of trade are impinging negatively on the current account and the overall balance of payments. Trade deficit increased to Rs 34.5 billion in 2006 from Rs 23.5 billion in 2005, the unfavourable trend being explained by the loss of export earnings in respect of textiles and sugar coupled with a rising import bill.

Europe has remained Mauritius' main trading partners, led by the U.K. and France, which together account for 53% of its exports (sugar and textiles). The EU as a whole absorbs 67% of Mauritius' exports and 27% of Mauritius' imports originate in the EU. The EU Member States also account for 53% of tourist arrivals, with another 15% coming from the French DOM Réunion. While Europe has remained the key export destination, Asian markets are increasingly the source of imports, except for machineries which are still predominantly from the EU.

2.2.1 Fiscal Situation

Fiscal consolidation and debt management has been placed at the centre of the public finance reform. A revenue stabilization of 19% to GDP has been targeted together with a decline in the share of expenditure and a narrowing of the overall central government budget deficit to 3.3% by 2008/2009. In order to achieve this objective, Government has introduced policy measures to eliminate waste and increase efficiency. Capital projects are being closely monitored, to prevent unjustified cost overruns and improve the quality of public investments. The budget deficit is projected to fall from 5.3% to 4.3% from 2005/2006 to 2006/2007.

2.2.2 The regional integration process

Mauritius sees significant benefits from increased regional trade and supports an agenda of rapid regional integration. It aspires to a fully effective FTA within the region encompassing COMESA and SADC.

Mauritius is negotiating the establishment of an Economic Partnership Agreement (EPA) with the EU as a member of the ESA group. In this context, it hosted an ESA Ministerial meeting in February 2006. It also assumed the Chairmanship of the IOC.

Mauritius has also been collectively promoting the development dimension of the EPA.

Besides its regional integration interests Mauritius continues to strengthen ties with key trading partners including India with which a Comprehensive Economic Co-operation and Partnership Agreement has been negotiated. Similar negotiations are under way with other Asian countries including China and Pakistan. Mauritius is also campaigning for the further extension of the US's African Growth and Opportunity Act (AGOA). A Trade and Investment Framework Agreement (TIFA) has been signed with the US in 2006.

2.3 Social situation

On the social front, Government is implementing a set of measures within its wider reform programme to protect the most vulnerable segments of its population. Social protection and subsidies are being re-oriented to effectively reach the needy in a cost-efficient way. Institutions delivering social services are being rationalised.

On Human Development Index (HDI)², Mauritius has continued to make progress by moving from 0.779 in 2000 to 0.800 in 2004. 4 of the 8 MDGs have been achieved and these are universal primary education; reduction of child mortality; improvement of maternal health through the reduction by three quarters of maternal mortality ratio; and gender equality through equal enrolment in primary and secondary education. It is interesting to note the improvement that has been constantly taking place since the 1990's in areas like sustainable water access to the population which rose from 95.6% to reach more than 99 in 2005. Under-five infant mortality rate is seen to have fallen from 23.1 per thousand in 1990 to 15.5 in 2006.

The overall trend in the MDGs is positive, showing the constant commitment of the Government over 15 years on health and education (*See Annex I b*).

2.3.1 Education and Training

The educational sector has gone through successive reforms over the past years. A number of state secondary schools have been constructed to ensure access and a revision of curricula with particular emphasis on science, mathematics and ICT has been under way. But despite the remarkable overall progress, the system is still characterised by significant weaknesses and inefficiencies. As of 2006, a new grading system has been put in place at the level of the primary cycle to stream the best performers towards the newly designated national secondary schools.

Government is committed to develop the country into a knowledge-based economy and a regional Centre of Excellence. The legal framework has been put in place to attract brand name institutions to set up campuses in Mauritius. The roles and functions of the Human Resource Development Council (HRDC) and the Tertiary Education Commission (TEC) are also being adapted to support the transition.

An Empowerment Programme, launched in 2006, comprises inter alia a major component emphasizing training and retraining to ensure the adaptability and employability of the workforce. A National Human Resource Development Plan is being prepared to address the skill needs for the new economic sectors over the period 2006-10 and to reduce the large skill mismatch on the labour market.

2.3.2 Health

Life expectancy of Mauritians has increased from 63 to 71 years during the last twenty years. Infant mortality rate has declined from 24.2 per thousand live births in 1987 to 13.2 per thousand live births in 2005. Under-five mortality rate has fallen to 15.5 per thousand live births in 2006. Communicable diseases have to a large extent been successfully dealt with and brought under control.

As at end of January 2007, 2760 (2174 male, 457 female) cases of HIV and AIDS have been reported in the country and out of which 129 were non-residents. It is noted with much concern that, there has been a significant shift in the mode of transmission of the

² UNDP « Human Development Report 2006 »

disease from heterosexual to Injecting Drug Users (IDUs). In the year 2000, 2% of the new infected cases were among Injecting Drug Users and it increased to 14% in 2002 and 92% in 2005. A new HIV/AIDS Strategic Plan 2007-2011 has been prepared and which will be implemented. An HIV/AIDS legislation would also be enacted to provide measures for the control and prevention of the propagation of the virus by way of making available HIV testing facilities, the registration of those facilities, the testing of donating blood and the counselling for persons affected and a system of syringe and needle exchange.

The major concern is the high prevalence of Non-Communicable Diseases (NCDs) which are responsible for about 80% of the burden of disease. The most prominent NCDs such as diabetes cardiovascular diseases, cancer, pulmonary diseases and hypertension are linked by common preventable risk factors related to lifestyle, such as tobacco use, unhealthy diet, obesity and physical inactivity. The prevalence of diabetes among both sexes was 19.3 in 2004. Hypertension among adults aged 30 and above reached 29.7. The crude prevalence of high cholesterol among adults aged 20 years and above was 40.1 in 2004. Cancer contributes to 10.1 percent in men and 12.8 percent in women.

2.3.3 Gender and Children's issues

Mauritius has acceded to the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) in 1984. A number of actions have been taken to eliminate discrimination against women. Among them, the *Protection from Domestic Violence Act* (1997) and the *Sex Discrimination Act* (2002). These measures have ensured that women have played a proactive role in the country's economic and social development. An Equal Opportunity Bill to be enacted during FY 2007/08 will address outstanding practical problems relating to racial and gender discrimination.

Gender issues have been brought to the fore by downsizing in the sugar, textiles and clothing industries, where layoffs have predominantly affected women, whose unemployment rate far exceeds men's. This will have to be addressed through specific programmes targeting unemployed women, such as initiated under the recent Empowerment Programme.

Similarly, Mauritius is well equipped to ensure child protection, both legislatively and institutionally. Child Development Units have been created in 5 different regions to enforce the Child Protection Act (enacted in 1994 and amended in 2005), a special police unit and 24hr hotlines have been created in 2004 to deal with child abuse in close collaboration with the Ombudsperson for Children's Office and the Ministry. On the prevention side, awareness campaigns and schools sessions are regularly carried out.

2.4 Environmental situation

As a small island developing state, Mauritius is highly vulnerable to climate change, cyclones, rising sea levels, and other natural disasters. It has a narrow natural resource base comprising very limited land resources, freshwater, coastal and marine resources, biodiversity, solar and wind energy. 43% of the land is used for agriculture out of which 39% is under sugar cane cultivation, 30% is forest and shrub land (of which less than 2% of remaining natural or endemic forest), 26% is built up area (explained by one of the highest population density in the world).

The second National Environmental Strategies (NES) presents the strategy and action plan for the period 2000 – 2010 in line with Agenda 21 of the Rio Conference. It outlines measures needed to ensure Government involvement for dealing with environmental problems, including several cross-sectoral initiatives, institutional arrangements for implementing the plan, financial and budgetary requirements. The Government is in the process of reviewing the NES in order to take on board emerging issues under the Kyoto Protocol and other Multilateral Environment Agreements).

The country's goal of nearly tripling tourist arrivals to two million over the next decade and constructing 18,000 new hotel rooms calls for careful environmental management through an appertaining strategy for waste management, integrated coastal zone management and protection of ocean resources. Similarly the environmental implications of withdrawing significant amounts of land from sugar cultivation also need to be addressed. To this end, a Strategic Environment Assessment has been commissioned by the Government and funded by EC.

The EC has been a key player in assisting the Government to implement wastewater treatment infrastructure. The Government's National Sewerage Plan aiming at connecting 50% of the population by year 2012 has mobilized the support of EC and its other Development Partners for a projected investment of MUR 13 billion. The EC participated with €20.8 million under the eighth EDF for the water treatment plant of St Martin and sewer connections of low-income housing. Its ninth EDF contribution amounted to €28 million in budget support and €1.8 million in back up technical assistance.

Overall, the key environmental issues that have to be addressed are in the following areas: coastal zone management, setting up of hazardous wastes pre-treatment and medical wastes incineration facilities, provision for adequate water resources and capacity building inter alia environment impact assessment and impacts of climate change as well as increasing the role of the civil society in decision making on environmental issues. The priority programs, identified by the Ministry of Environment comprise of three main components with an overall environment management at capacity building in the environmental sector, a resource management programme for developing the ICZM strategy and framework and a sector programme aiming at reducing environmental impacts of industry and development of adequate environmental industrial management including the setting up of National Cleaner Production Centre.

Chapter 3. Overview of past and on-going cooperation

Given the Government's plan to reform the sugar sector and, more important, the entire economy, the End of Term Review (ETR) proposed to introduce amendments to the Community's response strategy to facilitate the transition from the 9th to the 10th EDF. Following ETR conclusions, it was consequently decided that the phasing out of EC support to the Wastewater sector will be accompanied by a phasing in of support initially to the Sugar Reform (2006/2007) and, subsequently, to the overall economic reform programme (from 2007 onward).

The year 2006 has therefore been characterized not only by substantial amendments to the financing agreements of the 9th EDF focal sector (Environment - Wastewater) with €

10 m top up following Medium Term Review conclusions in 2004 but also by a review of the overall strategy in the context of ETR exercise and the development of the sugar sector programme totaling 11 M euro, using 4.5 M euro from the reliquats and 6.5meuro from the Sugar Accompanying Measures.

	Initial indicative allocation (€)		Indicative allocation after MTR (€)		Indicative allocation after ETR (€)	
<i>Focal Sector 1: Environment</i>	28.000.000	85%	39.800.000	74%	39.800.000	58.6%
<i>New focal sector after ETR: Sugar</i>	0	0	0	0	4.117.000	6%
<i>Macroeconomic support</i>	0	0	0	0	9.406.887	13.8%
<i>Non focal sectors</i>						
- Poverty alleviation	5.000.000	15%	13.500.000	25%	13.500.000	20%
- Technical Cooperation Facility			500.000	1%	1.090.000	1.6%
	33.000.000	100	53.800.000	100%	67.913.887	100%

The implementation of the two focal and non-focal sector programmes under the 9th EDF have advanced at good speed while changes have been introduced aiming at strengthening the institutional capacity building component in the wastewater sector budget support programme and at facilitating NSAs participation and access to the calls for proposals launched in the context of the Decentralised Cooperation Programme.

Good progress has been made in decommitments of funds under past projects and closure of old projects (Annex V). The total reliquats from 2006 amounting at € 2,640,597 have been reallocated, together with previous years' reliquats, under other 9th EDF projects and more specifically to the second Technical Cooperation Facility and the Sugar Sector Budget Support.

A Country Evaluation of the EC strategy over the period 1996-2006 was carried out in May 2006. This evaluation highlighted that the EC cooperation strategy in Mauritius evolved in the right direction over the successive EDFs, though there was still room for improvement. Among others the evaluation team recommended better coordination with and involvement of Non-State Actors during the programming exercise and other activities. The evaluation team also highlighted the need to provide for longer instruction periods to take into account the complexity of programmes like the Decentralised Cooperation Programme. In addition, the monitoring of several projects, including the Northern Plains Irrigation project (ended 2004) and the WSPSP (on going) was carried out in September 2006.

3.1 Focal sectors (and macroeconomic support)

3.1.1 Results

In December 2003, in accordance with the provisions of the 9th EDF Country Support Strategy to implement a Sector Policy Support Programme (SPSP) in the waste water sector, a financing decision for € 29.8 million has been taken, by the European Commission. The SPSP would be funding components of the 1994 National Sewerage Master Plan (NSMP).

A mid-term evaluation of the WSPSP was carried out in September 2005. The final report has been submitted in January 2006. The findings of the evaluation show that the programme is generally on track. However, the main issues that need to be tackled as matters of priority are:

- Institutional capacity of the sector and the organizational capacity of WMA;
- Revision of the Sector Policy letter 2005-2010;
- Increasing the number of house connections to improve financial sustainability.

The project was evaluated as part of the country strategy evaluation carried out during the first semester of 2006, with the following main conclusions:

- The project permitted to mobilize Government on key points regarding the development of the sector, in particular MTEF, procurement regulations, sector policy, tariffs and WMA autonomy
- WMA capacity building has not been at the expected level despite Government commitments
- Financial sustainability remains central issue (need of realistic and acceptable tariffs, of reviewing the investment program and reducing O&M costs)
- Environment impact monitoring, initiated only at end of 2005, need to be reinforced and adapted to the long term needs of the sector

The project was also monitored in September 2006, with the following recommendations:

- key strategic issues and capacity building of WMA remain critical
- Revamping of WMA to improve operational supervision of contracts is urgent to sustain the goal of 50% connectivity by 2012

Following the Mid-term evaluation of the CSP in 2005, a 10M€ top-up has been allocated to the wastewater sector. The disbursement of the top-up fund required an amendment to the Financing Agreement (see annex 4). The amendment was signed in November 2006 and comprises of 2 additional tranches for FY2006/07 and FY 2007/08. The following aspects are relevant with respect to disbursement of fourth tranche during actual FY 2006/2007:

- Overall satisfactory assessment for MTEF and Public Finance Management, submission of the draft Public Procurement Bill to the National Assembly;
- Launching revision of the Sector Policy Letter 2007-2011 based upon tariff study review undertaken in 2006;
- Launching of institutional review study.

The amendment also points out that the GoM/NAO through sector monitoring and Evaluation Committee should monitor progress on the seven key assessment areas. The amendment makes provision for a sixth performance indicator which is linked to (i) annual number of major contracts awarded (ii) annual number of monitoring inspections. The indicator on financial sustainability has also been defined comprehensively.

The third tranche request (10.5M€) was approved and disbursed to the amount of 10.1M€ in June 2006 following assessment of the conditionality and performance indicators. Overall the WSPSP programme is on track, with cumulated disbursements at 90% (13.8 m.euros or 100% of fixed tranches; and € 11.4 million or 80% of variable tranches-see annex IV). The fourth tranche is expected to be disbursed in June 2007, following the Donors meeting that took place in January 2007. The assessment of the conditionality and performance indicators of this tranche will be carried out further to this meeting.

While the implementation of the National Sewerage Programme has accumulated delays over the past years, **the results of the programme are beginning to materialize.** By July 2006, the programme reached the benchmark of 25% of households connected to the sewerage system, with more than 5,000 new connections made during the year to reach a total of 59,014 households. All major treatment plants are now operational and the construction of the trunk sewer for the Plaines Wilhems areas should be completed on time in early 2008, which will allow for an acceleration of works and additional house connections in this important residential area of the island.

The contribution to the protection of groundwater and water quality in the lagoons have proven difficult to measure through the environmental monitoring system established, however it has been demonstrated that the quality of the lagoon and reefs in the Montagne Jacquot outfall area has significantly improved. The Government of Mauritius is aware of the weakness of the environmental monitoring system and the Ministry of Environment has been requested to report more regularly and systematically on the impact of the programme on water quality. In this context, the indicator for the pollution control programme was achieved with 50 Industrial Agreements signed with the industries discharging wastewater into public sewer networks.

3.1.2 Progress in activities

As a follow up to the December 2005 donors meeting, a technical donors meeting was held in July 2006, however the Joint Donors Technical and Ministerial meeting schedule for November 2006 was postponed in January 2007. The Joint Donors meeting was an opportunity to discuss key aspects of the sector development and WSPSP progress:

- The technical assistance has presented the outcomes and final drafts of two important studies carried out in 2006, namely the Institutional Review and Tariff study. The two studies started in August 2006 and the Consultant provided first drafts of the studies in Sept.-Oct.2006. Meetings with high level officials were held on both issues during the course of the studies, with positive feedback on the institutional review recommendations while tariff assumptions and scenarios still needed to be reviewed

- in light of updated data and comments from WMA and the MPU. The studies are expected to be finalized in the first trimester of 2007.
- The Public Procurement Bill has been presented to the National Assembly in December 2006. It has been approved with amendments and shall now follow the usual procedure up to enactment. This positive move is expected to be concretized by a Public Procurement Act to be enforced by the end of 2007 (a condition of the last tranche disbursement under the WSPSP).
 - The Government announced in 2006 its intention to extend MTEF to all ministries and state corporate bodies, including the WMA so that to tighten overall budgetary accountability and move towards result oriented budgeting. The MTEF unit has been made operational but still requires support. This has delayed updating of the specific Waste Water draft MTEF, and it is expected that the outcomes of technical assistance tasks 5 and 6 early in 2007 (MTEF and WSPSP monitoring & evaluation) will be used to define a set of coherent indicators and a monitoring tool that could be of direct use for a new sector MTEF.
 - WMA capacity building is still a major issue impacting on the implementation of the NSP and the long term technical and financial sustainability of the sector, as pointed out by the monitoring and evaluation missions carried out in 2006 and despite efforts made in recruitments (6 management staff and 35 other staff recruited to fill vacant posts). A revamping is therefore expected in 2007, making use of the outcomes of the technical assistance tasks within WMA and assuming that government will proceed with implementation of the institutional recommendations in view of a more effective autonomy of the WMA.

Degree of Integration of Cross-cutting issues

Environment

- A first outline of an environmental monitoring plan was presented in Nov.2005, defining the roles of each individual Ministries and addressing environment monitoring outside the sewerage project area. The Ministry of Environment has carried out a second monitoring in 2006 that was presented at the Joint Donors meeting.
- The EC has proposed that the environmental monitoring system be further strengthened the wastewater sector to be able to measure more adequately the environmental benefits from the investments in the sector.

Governance and Capacity Building

- The institutional review carried out during the year assessed the institutional set up within the sector; recommendations are now awaiting implementation by the Government of Mauritius.

3.1.3 Sugar Sector Budget Support

The year 2006 was strategic for the sugar sector, as it saw the first programming exercise under the Sugar Accompanying Measures for Mauritius. In line with the programming guidelines, the Government produced the Multi Annual Adaptation Strategy (MAAS) for the sugar sector reform in April 2006. The Adaptation Strategy aims at establishing a

competitive sugar sector through concentration of the industry, rightsizing of the labour force and optimising the use of by-products.

The EC Delegation presented its response strategy to the MAAS in July 2006 to Brussels which was adopted on 17 November 2006. The strategy aims at contributing to the sustainable economic development of Mauritius, while accompanying over the transitional period, the restructuring of the sugar industry in order to diversify its revenue base and reduce production costs. The first allocation under the Sugar Accompanying Measures Budget Line for the 18 Sugar Protocol countries was of the order of € 40 million, of which Mauritius was allocated € 6.543 million, i.e. roughly 18%. This allocation was supplemented by a reliquat of € 4.557 million under the 9th EDF NIP to form the first Sugar Sector Budget Support to tune of €11.000.000. The sugar sector budget support programme will support the overall reform of the sector with a particular attention given to the social dimension and the small planters' community. The four jointly identified performance indicators under this sector budget support are: (i) derocking of 300 ha of small and medium-sized planters land around the island. This will include the prior regrouping of planters; (ii) the provision of the social package to 1.500 field workers who will benefit from the Voluntary Retirement Scheme II; (iii) 2 months prior to their retirement, these workers will receive training from inter alia the Industrial, Vocational Training Board (IVTB); (iv) Concentration of activities of three factories in the context of establishing cost-effective and competitive sugar cane clusters.

In view of the importance of the energy component in the MAAS, and the potential for competing projects, the EC requested the Government to work out a coherent energy strategy in line with the sugar sector reform. This has been made a precondition for the disbursement of the 1st tranche of the sector budget support programme.

Degree of Integration of Cross-cutting issues

Environment

A Strategic Environmental Assessments (SEA) exercise financed under the EC Environment and Tropical Forest Budget line, was undertaken in 2007 to confirm and complete the findings and recommendations of the MAAS pertaining to environmental issues. This will enable decision-makers to take necessary corrective measures on the basis of comprehensive information.

The Mauritius Multi Annual Adaptation Strategy provides an opportunity for the country to optimise the use of bio-mass (bagasse and molasses) in order to substitute the use of fossil fuels, to produce renewable energy and to facilitate earnings in carbon credits.

Gender and Social issues

Gender issues have been brought to the forefront of the economic reform programme of Mauritius because rightsizing of the labour force in the reformed sectors has primarily affected the female workforce, that have a higher unemployment rate than men. Specific programmes for unemployed and/or unskilled women have been initiated under the recent Empowerment Programme by the Government. The MAAS provides for the laying off

of some 8000 workers in the sugar industry, many of which are women. The Government and the EC have agreed to monitor carefully the specific retraining programmes for the laid off workers.

Social issues will remain important in the overall economic reform programme, and in particular with regard to the vulnerability of small planters within the sugar sector. In this regard, lessons may be learnt from a regional study under the Accompanying Measures undertaken in 2006 on best practices, drivers and conditions for successful setting up outgrowers' schemes within the sugar sector.

3.2 Projects and programmes outside the focal sectors

3.2.1 Decentralised Cooperation programme

Considerable resources (€ 5m or 15% of the envelope A together with € 8.5m released funds from closed projects) were allocated under the 9th EDF to a demand-driven Decentralised Cooperation Programme (DCP). This intervention targets the most deprived areas and the poorest segments of the population, including Rodrigues, and complements actions already targeted under previous EDFs.

The DCP was signed in August 2005. The programme purpose is to improve the strategic planning, advocacy, tooling and implementation capacity of non-state actors (NSAs) involved in the areas of poverty alleviation, natural resources management, good governance and fight against unemployment. Around 40 % of the total budget is allocated to demand driven small and medium grants to support NSAs' initiatives in the above mentioned fields, while the remaining funds are earmarked to undertake several studies in the four main components of the programme with the aim of providing up to date and comprehensive information to all stakeholders involved in poverty alleviation and development issues in general. Provisions have also been made for workshops on the studies' results and specific training programmes in key relevant sectors where major capacity gaps have been identified.

Since the commencement of implementation in September 2005, the Contracting Authority has established the Programme Coordination Unit (PCU). This has included the recruitment of local staff, supported by a technical assistance recruited through an international tender who provides advice on the management of the programme, and the procurement of essential equipment. By 2006, the PCU was fully staffed and operational. During 2006, in turn, the PCU has undertaken a number of activities in an attempt to make project services functional and accessible to the beneficiaries. These have included the establishment of a permanent services counter in Port Louis with a sub office in Rodrigues, the design and implementation of sensitisation campaigns, information sessions on the Call for Proposal system, a programme logo and website, and an accounting and management system that has been considered positively by a system audit report concluded in April 2007.

On the other hand, in September 2006 the project was monitored by a ROM experts mission who noted major delays in setting up the programme's management structures and activities and recommended to set targets at activity level to better monitor the programme's progress as well as to introduce some modifications to facilitate Non State Actors' access to resources. This has progressively been done during 2007. With

reference to the indicators included in the Financing Agreement's log-frame (see Annex IV.b.), none of the results stated under each of the four components of the programme was fully achieved by the end of 2006 as the programme was still setting up the appropriate structures and launching preparatory activities. However, the activities undertaken per component during the first year of implementation can be found here below:

1 - Delivery of social services and direct assistance to vulnerable groups: The first call for proposals for poverty alleviation projects was launched in July 2006 with deadline for submission of proposals in September 2006. All €1.4m of the total resources have been allocated to NSAs for 34 small projects (with a grant component of \geq €10.000) and 17 medium to larger projects (with grant requests between €10.000 and €100.000).

However, major delays occurred in the evaluation process due to bottlenecks in the Call for Proposals system. These were resolved in discussions held between the Government, the PCU and the Delegation and several measures were agreed upon in order to improve the accessibility of funds and the efficiency of the overall process. These include the downsizing of the Evaluation Committee composition, simplification of the application process and form for small grants, the provision of professional facilitators and assessors and the future possibility of in kind contributions from beneficiaries.

2 - Promotion of good governance: With regard to the DCP's Governance component, in depth discussions have taken place with all major stakeholders in this area of concern. These will complement and reinforce ongoing and imminent interventions of the various NSAs already active. It is foreseen that the first intervention will be DCP's support to an information campaign concerned with raising public awareness of key governance issues. The first Call for proposal is planned in 2008.

3 - Fight against unemployment and support to job creation: Three major studies have already been conducted on the SME sector, (in the areas of hubs and clusters; innovation; and training needs and human resource development). These studies have served the PCU to determine future interventions under the SME support components.

4 - Improving natural resources management in Rodrigues: A participatory stakeholders' workshop also took place in Rodrigues in November 2006 to identify problems and solutions relating to natural resource management issues on the island. The output of the workshop will inform future activities in this sector on the island, including the parameters of two Calls for Proposals for micro-projects in the area of natural resources.

Two additional assignments have been launched and will be completed in 2007, namely a study to develop a methodology for monitoring poverty more effectively, and a review of Rodrigues' research and extension services for agricultural development, in order to make them more relevant to the needs of users.

The PCU liaises closely with all major stakeholders dealing with poverty reduction, training and empowerment. In particular, the DCP coordinates closely with the UNDP, MACOSS, the Trust Fund for the Integration of Vulnerable Groups, the Empowerment Programme and the HRDC.

3.2.2 Technical Cooperation Facility

During 2006, the Technical Cooperation Facility for an amount of € 500,000 has been used to launch a study on the Public Expenditure Framework Assessment (PEFA) in 2006

and 2007. With the deployment of General Budget Support vehicle by the main external partners for the country during the period 2007 – 2013, the Government agreed that the performance of the country in the field of the public finance management will be assessed based on internationally agreed metrics using the PEFA methodology. The draft findings are positive with regard to overall financial control and reporting, budget credibility and the transparency of the system and availability of information. The main weaknesses identified in the draft report have been (i) the extent of unreported government operations in the budget; (ii) the lack of multi-year programming based budgeting and costed strategies, as well as (iii) the delay in the legislative scrutiny of external audit reports. The Government has already indicated that it will remedy any weaknesses identified in the PEFA exercise during the upcoming budget preparation. Together with a World Bank PER and IMF technical assistance, the PEFA exercise will contribute to define any further PFM reforms needed.

Further studies are foreseen in 2007 for the preparation of the 10th EDF, including one on the energy sector, as well as technical assistance for capacity building of the government for the implementation of the economic reform programme.

3.3 Utilisation of resources for non-state actors

In accordance with the provisions of the Cotonou Agreement, Mauritius and the EU accept the key role of political dialogue as a means of addressing all issues of mutual concern and of ensuring consistency and increased impact of development cooperation. In this respect, the integration of the private sector and of civil society has been duly encouraged and consultations have been held during the elaboration of the CSP, the 9th EDF framework and the EU response strategy for Mauritius.

Participation and empowerment of NSAs are also the essence of the Decentralised Cooperation Programme (see 3.2.2), the main 9th EDF non focal sector programme, which in monetary term is representing the 20% of the total A envelope to Mauritius following ETR conclusion. A similar programme is foreseen in the context of 10th EDF although an improved collaboration with similar social programmes funded by the Government could facilitate the transfer of know how.

However, modalities for NSAs involvement and participation in the DCP could be further improved. Several measures have already been agreed upon in order to facilitate their access to DCP funds. The consultations with beneficiaries and other stakeholders will be carried on and will assist, together with ad hoc surveys and regular monitoring of the programme, in the definition of best practices for direct support to NSAs in the Mauritian context.

3.4 Utilisation of B envelope

As per the CSP 2002-2007, a total envelope of € 1.6 m is earmarked for the B Envelope. The envelope was subsequently revised downwards to € 1.1 m, in favour of the Africa Peace Facility.

An amount of €0.499m from the envelope B has been committed after cyclone “Kalunde” hit the island of Rodrigues in March 2003, causing severe devastation and aggravating the prevalent poverty situation there. The overall objective of the programme was to

contribute to poverty alleviation by restoring the population's access to drinking water, and by improving the prevention capacity and capability against natural calamities. The project has been completed by March 2006. Overall results of the project were satisfactory as the tanks were constructed and equipment delivered as planned. However, as pointed out in an audit, operational maintenance of the equipment has been very poor to date and some over-expenditure were found. Consequently, some funds will be recovered from Programme estimate before the project closure in 2007.

Following ETR conclusions the remaining funds (€ 161.000) will be transferred from the country programme to the long term development reserve at all ACP level.

3.5 Other instruments

3.5.1. European Investment Bank (EIB) --

The EIB's loan portfolio for Mauritius amounts to EUR 208m of signed loans of which EUR 99m had been disbursed in favour of large public sector infrastructure projects such as the extension of the SSR Airport (€18m), the Plaines Wilhems Sewerage project by WMA (€ 35m), the reduction of CWA's Non Revenue Water (€ 20m) and the provision of two additional ship to shore gantry cranes for the extension of the Mauritius Container Terminal by the Cargo Handling Corporation (€ 14m). However, in line with its mandate, the Bank has also concluded projects (loans) with private sector promoters of which the "Central Thermique de Belle Vue" coal / bagasse power station (Mauritius' first large IPP project worth EUR 10m) and the Bel Ombre Hotel project (EUR 12.2m).(To be updated following EIB feedback, along with annex VIII)

3.5.2. Fisheries

Fisheries Agreement

The fifth Fisheries Protocol (2 December 2003 – 3 December 2007) between the Republic of Mauritius and the EC provides for an annual total compensation of € 487,500 (excluding the contribution of vessel owners). The maximum number of licenses to be delivered to EU fishing vessels is of 41 seiners and 49 longliners and the reference tonnage is of 6,500 tonnes a year.

Negotiations for a new Fisheries Partnership Agreement and a new Protocol starting in June 2007 will entail a shift in priorities from previous bilateral fisheries agreements with developing countries. The overarching aim is to ensure a sustainable and responsible sectoral fisheries policy in Mauritius waters, as well as to ensure that the activities of the European fleet are compatible with the development objectives of the third countries and that they are progressively embedded into the local economy.

In this context, an ex-post evaluation study of the current protocol and an impact analysis on sustainability has been carried out in 2006 and shared with the Mauritius fisheries authorities. In addition, Mauritius benefited from a technical assistance financed by the EC to strengthen their long term Sector Policy for Fisheries.

Revenue generated from EU calling vessels in the port sector stood at approximately € 6 million in 2006. The activity generates 100 direct employments for transshipment and an additional 500 indirect employment in respect of services in the port area. In addition to

the above employment creation, the procurement of fish for canning and loining provided for 3,600 further jobs.

Export of fishery products to the EU

The Food and Veterinary Office (FVO) of DG SANCO carried out a mission in Mauritius from 23 to 27 January 2006. The objective of the mission was to assess the public health controls and the conditions of production of fishery products in Mauritius. During 2006, several actions were undertaken by the Mauritius Competent Authority (CA) in order to address FVO recommendations. Among them, a three weeks consultant mission, funded by the Strengthening Fishery Products Health Conditions in ACP/OCT Countries-project, to improve their control capacities through theoretical and practical training of inspectors.

Mauritius Seafood Hub

An International Conference to Develop the Mauritius Seafood Hub was held in Mauritius from 2 to 3 March 2006. The conference was organised by the Ministry of Agro-Industry and Fisheries, the Board of Investment and the Joint Economic Council of Mauritius, in collaboration with the Centre for the Development of Enterprise and Medisamak. The Seafood Hub has been defined as an efficient and attractive environment for the supply of value added processes and services related to the sourcing and marketing of seafood products.

The Conference intended to serve as a catalyst in the consolidation of the industry and in attracting new global players to use Mauritius as seafood hub. It aimed at bringing together representatives of the Mauritius Private sector and International & Regional operators in the fishing, processing and shipping ancillary services sector to exchange views and ideas on the development of the Seafood Hub. It also offered an opportunity for them to visit the facilities and facilitated business contacts among local and foreign operators.

3.5.3. Sugar Protocol

Since 1975, Mauritius has been granted preferential access to the European market under the Sugar Protocol of the Lomé Conventions. The quota amounts to 491,000 tons (white sugar equivalent) per year together with an additional amount of 65,000t tons per year which has been allowed under the Special Preferential Sugar Agreement. With a 38% share of ACP preferential sugar quotas, the reform of the European sugar market and its resulting price decrease by 36% is therefore having a direct impact on the Mauritian economy and its competitiveness in this field. It is estimated that the reduction of EU sugar prices –sugar still represents 30% of the country's exports- will represent a shortfall in export earnings of € 782 million over the period 2006-2015. The effective loss to the economy would be much higher if all social and environmental costs were also taken into considerations. In this respect, the EC has commissioned a Strategic Environmental Assessment (SEA) in order to identify the environmental impacts of implementing the Government's Multi Annual Adaptation Strategy. The SEA final report, to be concluded in June 2007, will provide decision makers with a set of recommendations in order to mitigate any unforeseen negative environmental impacts of the sugar reform.

3.5.4. Regional cooperation

Mauritius benefits from such programmes/projects implemented by regional organizations (mainly COMESA, SADC, IOC) of which it is a member. As end 2006, the EC remained the main partner of the IOC in terms of development aid with a current portfolio estimated at 50 millions euros out of a total portfolio of around 85 million. These include IOC led EC funded programmes, namely Tuna Tagging, SCS, PRPV, ARPEGE and Institutional Support to the RAO, sustainable management of coastal and marine resources . The Financing Proposal for a new programme to be led by the African Union and where the IOC is expected to play a key sub-regional role - African Monitoring of Environment for Africa - was signed in November 2006..

The Sustainable Management of Marine and Coastal Resources project (RECOMAP) will focus on integrated coastal zone management which remains an important issue for Mauritius.

The Monitoring, Control and Surveillance project (SCS) will be complemented by a Regional Plan for Fisheries Surveillance in the Southwest Indian Ocean, implemented through a framework partnership convention between the EC and the IOC. This Regional Plan will be implemented in 2007, for a period of 3 years and a 7M€ financial envelope, of which certain actions will be directly financed on the EC's own resources (DG/FISH).

The country is also benefiting from other regional initiatives, such as those financed mostly under the 9th EDF through COMESA and all supportive of the consolidation of the Free Trade Area and the forthcoming establishment of a Customs Union. The programmes/projects thus aim to enhance the regional integration process in order to promote development and growth in the region. The objectives pursued can be summarized in the following three main clusters, :

- Trade and investment promotion through the improvement and harmonization of customs processes, statistic systems and trade and financial services in general.
- Exchange of information on trade opportunities, regional industry linkages and improved transport and telecommunications within the region as well as between the region and the global market.
- Capacity building at all levels (Institutions, private sector and NSAs).

Thus, more efforts will be undertaken to increase coordination between regional and national processes in order to improve the national-regional coherence and harmonise the regional integration processes. In this respect, Mauritius hosted an NAO/RAO/Ministers of Trade Meeting in July 2006.

As regards the EPA process, Mauritius as well as the region are making good use of resources made available under the EU funded IRCC and RISP programmes to sustain the NTPDFs, RNF, RPTF organs in the negotiation process. Measures will need to be taken in order to blend these organs into EPA.

4. Assessment of performance indicators

The performance indicators for the focal sector were revised as result of the recommendations of the Mid-term Review, and embedded in the rider to the WSPSP programme extending the project by 2 years up to December 2009. In addition, a specific indicator to measure the capacity of the Wastewater Authority has been defined and included as a performance indicator (see Annex IV).

The overall progress against the performance indicators set for the sector has been satisfactory, as reflected in the good disbursement performance in FY2005/06 (3rd tranche, 96%) and expected in FY2006/07 (provisionally assessed 90%). The overall financial performance of the programme is close to 90%, however this performance must be mitigated by the significant delays in the implementation of the National Sewerage Programme and the insufficient capacity of the WMA to operate efficiently and assume its delegated roles, which resulted in the need to review and redefine through rider 2 the targets set for the sector. Over and above the financial performance of the WSPSP, it is deemed essential that the main actors (ministries, WMA, ..) and tools (procurement act, new Policy, MTEF, protocols and review of acts for WMA autonomy, WMA restructuring plan, environmental monitoring,) are in place within a clear framework to ensure the continuous development of the sector once the WSPSP programme comes to an end in 2008.

5. Donor coordination and harmonisation

The European Commission, through the Delegation's office maintains close and constant contact with the two EU Member States (France, UK) present in Mauritius, the UNDP (which also has an office in Mauritius) as well as with the World Bank, the African Development Bank and the International Monetary Fund.

Discussions in the context of the EC CSP 2008-2013 and the World Bank's Country Partnership Strategy (CPS) for the same period have prompted a stronger partnership between Mauritius and its main donors with a view to increasing aid effectiveness through further harmonization and alignment. In the context of the programming exercise of the 10th CSP, the "Objectives and Results Matrix" has been developed with the Government and the World Bank and adopted as a common intervention framework for the respective strategies of the World Bank and the EC for 2007-2013. The CSP also includes a common EC-World Bank diagnosis of the political, economic and social situation, a common assessment of the Government's program, thus providing a platform for joint work on both the EC CSP and the World Bank's CPS program implementation and monitoring of results.

In November 2006 the World Bank produced the Development Policy Loan I, which details the programming of its first General Budget Support Programme for an amount of USD 30 MIO. The Government produced a reform matrix in the context of the DPL I, after consultations with all external partners, including EC. Other donors like the Agence Française de Développement (AFD) and the African Development Bank (ADB), who will also give general budget support as from 2007, have also have coordinated their activities with the EC and the World Bank. All these donors are using the government reform matrix as performance assessment framework, from which each donor will choose the indicators for monitoring the respective budget support programmes. The

complementarity of donor actions has been ensured through joint multi-annual programming actions, encompassed in joint annual business plans.

In the context of the 9th EDF sector budget support (environment/wastewater) from which Mauritius benefits, one of the requirements has been effective coordination among donors in the sector. Donors include the European Commission, the European Investment Bank, the World Bank, the Indian Government, the Chinese Government, Agence Française de Développement, the Kuwait Fund, the African Development Bank and the Arab Bank for Economic Development. Through an MoU signed in March 2004, donors undertook to ensure that there is continuous monitoring of progress in the sanitation sector.

6. Dialogue in country with NAO and NSAs

With the level of dialogue already very satisfactory during past cooperation, the Government is committed to strengthen it with the EC in respect of Article 8 of Cotonou and in the light of commitments taken with regard to enhancing good governance. In accordance with the provisions of the Cotonou Agreement, Mauritius and the EC accept the key role of political dialogue as a means of addressing all issues of mutual concern and of ensuring consistency and increased impact of development cooperation.

The Government of Mauritius and the EC Delegation have jointly conducted wide consultations with non-state actors including members of civil society and local authorities, on the main thrust of the CSP as well as on the programming of the sugar accompanying measures. EU member states have also been associated throughout the consultation process. The purpose of these consultations was to receive direct feedback on the country assessment and proposed response strategy for the 10th EDF. Targeted consultations were conducted with civil society, EU Members States and various government agencies on governance related issues, through a survey questionnaire and bilateral meetings. In the context of the dialogue, Government has listed a series of commitments to further improve on governance (Annex II). The dialogue on governance has been notably open and constructive.

The process reconfirmed the usefulness of consultations as participants highlighted the importance of involving NSA, recommending to have structured and continuous consultations in future and improve on communication on the Government's reform programme. Some NSA have suggested this could best be achieved through a permanent dialogue forum, a suggestions the EC Delegation and the NAO will consider.

7. Conclusions

Mauritius is a Small Island Developing State and as such is very vulnerable to external economic and environmental shocks. In response to the recent global challenges, the Government has formulated a ten-year economic reform programme in 2006 to return the economy onto a growth path of over 6% in the longer term. The reform programme has received support by the country's key development partners, who have pledged additional resources, including under the Aid for Trade Initiative. The Mauritius Multi-Annual Adaptation Strategy 2006-2015 for the sugar sector forms an integral part of this reform

programme which the EC supports through the EC Accompanying Measures for Sugar Protocol Countries.

Regarding development cooperation with the EU, following the 9th EDF End of Term Review (ETR) carried out in 2006, it was decided that the phasing out of EC support to the Wastewater sector would be accompanied by a phasing in of support initially to the sugar sector restructuring (through sector budget support in 2006/2007) and from 2007 onwards to the overall economic reform programme through general budget support. The programming of EC cooperation under the 9th EDF in 2006 has therefore focused on amending the financing agreement of the 9th EDF focal sector (Environment - Wastewater), following MTR decision of adding an additional tranche of € 10 m to the sector programme and in view of the phasing out decided in the context of ETR. 2006 main activities also included the drafting of the EC response strategy under the Sugar Accompanying Measures. The sugar sector programme totaling 11 m euro, of which 6.5m euro from the Sugar Accompanying Measures and 4.5 m euro from the 9th EDF reliquats, was subsequently submitted as per programming schedule.

As regards to the 9th EDF focal sector, the implementation of the activities under the Wastewater sector policy support programme (39.8 meuro) continued at overall satisfactory rate. The capital investments under the National Sewerage Plan are however still progressing at moderate rate due to delays in awarding contracts and insufficient project management capacity at the WMA, despite efforts made in recruitment and targeted technical assistance during 2006. This translates in moderate progress in the connection of urban areas households to the public sewers networks with overall connections reaching 25% of total households by July 2006. Following recommendations of the mid-term evaluation report of September 2005, an Institutional Review and a Tariff Study were carried out in 2006 and recommendations will inform the revision of the Sector Policy Letter in 2007. The Public Procurement Bill was adopted in December 2006 and should be promulgated during 2007, while as regards Public Financial Management, the Government has decided on the extension of the Medium Term Expenditure Framework to all Ministries, which will include strengthening of programme based budgeting also for the wastewater sector.

The Decentralised Cooperation Programme (9th EDF non-focal sector -13.5 meuro), launched in 2005, has completed its first year of implementation and has now reached cruising speed. The Programme Coordination Unit is fully staffed since March 2006 and has recently been further strengthened. Several studies have been carried out as planned under the various components and specific efforts have been focused on enhancing NSAs participation both during the programming and implementation phases. The first Call for Proposal for poverty alleviation was launched in July 2006 for a total 1.4 meuro. Despite delays in the evaluation process, a total of 34 small grants and 17 medium to large grants should be awarded soon. Following a survey in December 2006, several measures were agreed upon in order to improve the accessibility of funds and the efficiency of the overall process.

The Technical Cooperation Facility (500,000 euros) has been at the disposal of the Government and the Delegation to support consultation workshops, participation at seminars as well studies in the context of EU cooperation. A major evaluation of the Public Expenditure and Financial Accountability (PEFA) Framework was launched at the end of 2006 and conducted in early 2007 with positive results. This exercise will help the Government to further fine-tune reforms in public financial management.

Mauritius has availed of regional programmes, directly or indirectly managed by the IOC, notwithstanding those programmes which are led by COMESA and SADC. Many programmes of the latter organizations are funded by the EC to improve the regional integration process for the collective benefit of all their member countries, including Mauritius. The year 2006 saw the launching of an additional programme of 18 Million Euro in this area involving all IOC member states plus Kenya and Tanzania: the "Sustainable Management of Marine and Coastal Resources". Further, the Regional ICT support programme is being implemented at regional level, under which - among other activities - a Call for proposals for local ICT pilot projects was launched in 2006.

As regard to the fisheries agreement, which is expiring in December 2007, an ex-ante, ex-post evaluation and an impact analysis have been launched to prepare negotiations for the renewal of both the fisheries agreement and protocol. Mauritius has also undertaken a review of the fisheries policies to strengthen their long term Sector Policy.

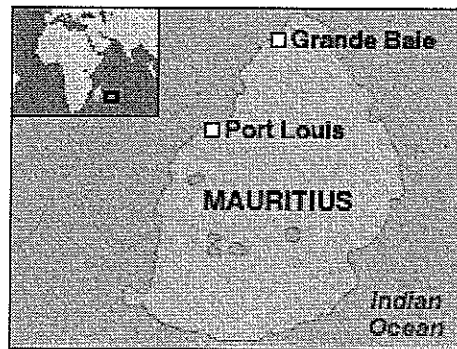
Mauritius is actively engaged in the EPA negotiations, in which fisheries and development are among the 6 clusters being negotiated. Mauritius hosted the Ministerial meeting in February 2006 and has contributed to the advancement of the negotiation positions of the ESA side. In this context, Mauritius is concerned about the impact of delays in concluding an agreement and the costs of a WTO waiver after 2008. On the development side, Mauritius has been proactive in advancing the discussions on Aid for Trade and on regional human resources development at regional level and including with the EC.

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ANNEX I a : MAURITIUS AT A GLANCE



Location	: 20° South of the Equator 57° East of Greenwich
Area	: 2,040 km ² (including island of Rodrigues - 104 km ²)
Outlying Islands	: Rodrigues, Agalega, Tromelin and Cargados Carajos
Population (June 2005)	: 1,256,000
Gross Domestic Product (GDP at market prices)	: 2005 - Rs 185 million : 2006 - Rs 206 million
GDP Growth Rate	: 2005 - +2.2% : 2006 - +5.0%

Currency: Mauritian Rupee (As at end of March 2007)

US \$ 1 = Rs 32.93

EUR 1 = Rs 43.94

Financial Year: July 1 – June 30

External Trade (2006)

Exports (f.o.b.)

MUR 74 million

Imports (c.i.f.)

MUR 115 million

Net International Reserves : MUR 78,601 mn (37.6 weeks of imports as at Feb 07)

Government

Independent 12th March, 1968

Member of Commonwealth

Member of African Union

Member of the Indian Ocean Commission-Indian Ocean Rim

Member of the Southern African Development Community

Member of Eastern Southern African Countries

ANNEX I b: Millennium Development Goals

Type	Indicator	1990	2000	2001	2002	2003	2004	2005	Target 2015
Impact	1. Proportion of population below \$1 per day ¹	NA	NA	< 1%		NA	NA	NA	halved
	2. Prevalence of underweight children (under- five years of age)	-	-	-	-	-	-	-	halved
	3. Under-five mortality rate (per 1000)	23.1	18.2	16.8	17.3	16.0	16.5	17.1	Reduced by 2/3
Outcome	4. Net enrolment ratio in primary education ² -%	99	97	97	96	97	98	97	100%
	Net enrolment in secondary education ³ -%	45	59	61	62	64	64	62	NA
	5. Primary Completion Rate-%	NA	68	68	69	68	69	72	NA
	6. Ratio of girls to boys in:								
	- primary education	98	97	97	98	98	97	97	NA
	- secondary education	100	101	102	104	104	103	103	NA
	- tertiary ⁴	NA	116	119	103	99	108	NA	NA
	7. Proportion of births attended by skilled health personnel	91.1	99.7	98.9	98.8	98.3	99.2	99.6 ⁵	NA
	8. Coverage Rate for immunization against measles(%) ⁶	76.1	84.0	89.9	85.1	93.5	88.6	87.4	NA
	9. No of HIV cases among 15-24 year old pregnant women		4	3	7	7	8	19	
10. Proportion of population with sustainable access to an improved water source	95.7	98.9	>99%	>99%	>99%	>99%	>99%	100%	

Source : Central Statistical Office

ANNEX I c: Basic Economic Data

Basic Data	2000	2001	2002	2003	2004	2005	2006
Population in 000 (mid year)	1,187	1,200	1,210	1,223	1,234	1,244	1,251
annual change in %	0.99	1.10	0.86	1.04	0.86	0.80	1.01
Nominal GDP (in millions €)	4975	5046	5013	4883	5065	4688	5120
Nominal GDP per capita (in €)	4191	4202	4131	3992	4108	3832	3965
Real GDP (annual change in %)	9.3	5.6	2.1	4.4	4.8	2.2	5.0
Gross domestic fixed capital formation (in % of GDP)	23.5	22.5	21.8	22.6	21.6	21.3	24.0
International transactions							
Export of goods and services (in % of GDP)	61.8	68.4	61.8	56.4	54.0	59.6	60.4
Balance of visible trade (in % of GDP)	-11.8	-7.9	-7.5	-8.2	-12.2	-16.1	-20.5
Current account balance (in % of GDP)	-0.8	6.1	5.2	1.7	-1.8	-5.4	-4.9
Net inflows of foreign direct investment (in % of GDP)	6.1	0.7	0.7	1.2	1.0	1.5	3.1
Total External debt (in % of GDP) - end of June	24.1	21.2	20.8	18.4	14.9	14.0	13.0
Service of external debt (in % of exports (f.o.b)) - end of June	7.9	9.7	8.4	8.0	6.5	6.5	9.0
Foreign exchange reserves (in weeks of imports of goods and non-factor services - end of June)	31.0	32.9	35.2	36.6	32.6	31.4	34.6
Government							

Revenues (in % of GDP) - end of June	20.7	18.3	18.4	20.2	20.4	19.8	20.0
of which: grants (in % of GDP) - end of June	0.1	0.2	0.2	0.2	0.4	0.2	0.3
Expenditure (in % of GDP) - end of June	24.5	24.9	24.5	26.4	25.8	24.8	25.5
of which: capital expenditure (in % of GDP) - end of June	3.8	3.6	3.7	4.7	4.3	3.5	3.6
Deficit (in % of GDP) including grants - end of June	3.8	6.6	6.1	6.2	5.4	5.0	5.3
Deficit (in % of GDP) excluding grants - end of June	4.0	6.9	6.3	6.5	5.6	5.2	5.6
Total Public Debt (in % of GDP)	50.5	48.9	52.6	56.7	56.2	58.1	57.5
of which: external (in % of total public debt)	17.4	11.3	12.2	10.7	9.1	8.7	7.6
Other							
Consumer price inflation (annual average change in %)	4.2	5.4	6.4	3.9	4.7	4.9	8.9
Lombard Rate (at end June)	11.50	12.00	11.50	10.25	9.50	10.00	11.50
Bank Rate (at end June)	10.65	11.14	10.01	8.26	4.74	6.13	7.30
Exchange rate (annual average of national currency per 1€)	24.02	26.21	28.49	32.23	34.69	37.02	45.20
Unemployment (in % of labour force, ILO definition)	6.7	6.9	7.3	7.7	8.5	9.6	9.1

Source: Central Statistics Office, Bank of Mauritius

ANNEX II: Prospective Governance Commitments

Prospective Governance Commitments

<p>I. POLITICAL-DEMOCRATIC GOVERNANCE (VOICE AND ACCOUNTABILITY FOR WBI)</p>	<ul style="list-style-type: none"> • Government is committed to ensuring that human rights are well respected in Mauritius. In this context amendments will be brought to the Protection of Human Rights Act by December 2007 to strengthen the National Human Rights Commission ("NHRC"). • The functioning and enforcement powers of the National Human Rights Commission will be reviewed, in the light of the recommendations made by the UN Human Rights Committee in March 2005 and of the Paris Principles. • The Equal Opportunities Bill which will be introduced by December 2007 will provide for the establishment of an Equal Opportunities Commission.
<p>II. POLITICAL GOVERNANCE/ RULE OF LAW: JUDICIAL AND LAW ENFORCEMENT SYSTEM</p>	<p>Prisons</p> <ul style="list-style-type: none"> • It is proposed to further improve the prison conditions and environment and to provide better facilities for detainees. The objective is to have one cell per detainee and a dormitory to accommodate between three and twenty detainees. • A strategic plan which will cover accommodation, safety and security of detainees. Will be finalised by March 2007. • A new prison which would house up to 750 detainees will be constructed at Melrose. Construction works are scheduled to start by June 2008 and to be completed by 2011. <p>Police</p> <ul style="list-style-type: none"> • Government is firmly committed to improve investigative methods and eliminate and punish police violence. • To achieve this, the following measures will be introduced: <ul style="list-style-type: none"> → The DNA Bill will be finalised by December 2007. → Improved training will be dispensed to police officers in investigative methods. The French Government will provide training during the first semester of 2007 in the following fields:- <ul style="list-style-type: none"> (a) <i>graphologie</i> (b) <i>identité judiciaire</i> (c) <i>ballistiques</i> (d) <i>techniques de l'enquête et d'audition</i> (e) <i>formation sur l'ADN</i>

	<p>→ An Independent Police Complaints Commission will be established and will provide for more transparency in the investigation of complaints made against police officers.</p> <p>Judiciary</p> <ul style="list-style-type: none"> • By letter dated 12 February 2007, the Judiciary has indicated that it proposes to reduce delays in completing pre-trial procedures and court proceedings by almost 50 % by the end of December 2008. • Government proposes to implement measures recommended by Lord Mackay in 1997 and 2006 in his review of the structure and operation of the judicial system and legal profession. • Those measures include- <ol style="list-style-type: none"> (a) the restructuring of the Supreme Court into a High Court and a Court of Appeal, which will result in a permanent Division of the High Court hearing first instance criminal cases throughout the Court term; (b) the setting up a separate DPP's Office with a team of law officers doing exclusively criminal prosecution work, which will result in less backlog at the level of the DPP's Office; and (c) the introduction of statutory time-limits for instituting proceedings before Court. <p>Government aims at improving the ranking of Mauritius on the corruption index. The following measures <i>inter alia</i> will be implemented-</p> <ol style="list-style-type: none"> (i) amendment of the Prevention of Corruption Act ('PoCA') with a view to:- <ul style="list-style-type: none"> • widening the definition of corruption offence to include "private corruption"; • strengthening the evidence-gathering powers of ICAC; and • streamlining the procedures laid down in PoCA. (ii) implementation of the recommendations of ICAC (contained in Corruption Prevention Reviews) on reducing risks for corruption in public bodies; (iii) intensifying the education programme to educate the citizens on the evils of corruption; and (iv) implementation of the Public Procurement Act which was passed in December 2006 with a view to ensuring maximum transparency in public procurement matters. The Act will be operational by June 2007.
	<p>III. CONTROL OF CORRUPTION</p>

	<p>IV. GOVERNMENT EFFECTIVENESS</p> <ul style="list-style-type: none"> • A Public Finance Management (PFM) assessment based on PEFA methodology is underway and will be completed by June 2007. Once the areas requiring improvement are identified, the consultants will be requested to formulate a costed action plan and timetable for implementation. Government has requested assistance from the IMF Fiscal Affairs Dept to strengthen the PFM system.
<p>V. ECONOMIC GOVERNANCE (REGULATORY CAPACITY FOR WBI)</p>	<ul style="list-style-type: none"> • The Business Facilitation (Miscellaneous Provisions) Act 2006 which aims at improving the investment climate and at the same time our ranking in the "Doing Business Survey" is fully operational. • The government is committed to the principle of effective exchange of information for tax purposes on the basis of the latest OECD model convention on the avoidance of double taxation. For that purpose, it intends to continually update its domestic provisions, whenever required, to ensure that the competent authorities have adequate powers to obtain and share information with its Treaty partners, including banking information and irrespective of domestic tax interest. It also intends to engage into negotiations with EU Member States with which Mauritius has a Double Taxation Avoidance in order to render the provisions on exchange of information compliant with the latest OECD model for those Member States Convention. The government will continue its dialogue with the OECD, pursuant to commitments taken, and pursue on-going efforts to keep the tax regime free from harmful features • The Fisheries and Marine Resources (Amendment) Act aims at harmonising the fisheries administrative and legislative framework of countries of the IOC region. The draft Fisheries and Marine Resources Bill is being finalised by the Attorney-General's Office and will be enacted by June 2007
<p>VI. INTERNAL AND EXTERNAL SECURITY (POLITICAL STABILITY AND ABSENCE OF VIOLENCE FOR WBI)</p>	
<p>VII. SOCIAL GOVERNANCE</p>	<ul style="list-style-type: none"> • The Labour (Amendment) Act 2006 bringing the minimum age of employment from 15 to 16 was proclaimed on 18 December 2006 and is in operation as from that date. The objective of the Act is to prohibit child employment • Government has committed itself to adopt an Equal Opportunities Act which shall, <i>inter alia</i>, provide for equal opportunities in

	<p>employment and in access to resources, and the establishment of an Equal Opportunities Commission. The Bill will be enacted by December 2007.</p> <ul style="list-style-type: none"> • Legislation on measures to further prevent and punish trafficking in persons will be introduced by December 2007. • It is envisaged to reduce Commercial Sexual Exploitation of children by 50% and progressively eliminate this phenomenon by the year 2010.
<p>VIII. INTERNATIONAL AND REGIONAL CONTEXT</p>	<ul style="list-style-type: none"> • Mauritius became a member of the International Organisation for Migration (IOM) on 08 June 06. IOM is financing a study on the Mauritian diaspora as well as overseas labour migration funded under the 1035 facility. The duration of the project will be 6 months. A draft Report is expected by end of May 2007, and the final Report is expected in April 2007.
<p>IX. QUALITY OF PARTNERSHIP</p>	<ul style="list-style-type: none"> • Government commits itself to a formal Article 8 dialogue starting in 2007.

ANNEX III: Logical Framework of the Mauritius Adaptation Strategy for Calendar Years 2006 and 2007

LEVEL	INTERVENTION LOGIC	Objectively Verifiable Indicators	Sources of Verification	Assumptions
Overall Objective	To maintain competitiveness of the sugar cane cluster and ensure its continued contribution to economic growth and social stability	<ul style="list-style-type: none"> Commercial value of sugarcane products produced, used & exported by Mauritius by 2015 Profits of the sugar industry by 2015 Share of equity of small planters & employees in milling & power plants 	<ul style="list-style-type: none"> International Sugar Organisation Reports MSA Reports CSO Statistics 	
Specific Objective	To restructure the sugar industry in order to reduce production costs and diversify its revenue base	<ul style="list-style-type: none"> Number of remaining sugar factories % reduction in production cost Number and volume of cane products processed 	<ul style="list-style-type: none"> MSA Reports Corporate Annual Reports Production statistics 	Private sector & Govt. remain committed to restructuring the sugar industry
Result 1	Flexi sugar factories are operational	<ul style="list-style-type: none"> Progress in the concentration of 3 factories by end 2007 Additional volume of sugarcane transferred to the remaining factories by 2007 Number and volume of processed sugars (% of white or special sugar in the mix) by 2007 	<ul style="list-style-type: none"> MSA Reports Corporate Annual Reports 	Rightsizing of the labour force is implemented Private sector is able to attract sufficient level of investment
Result 2	Social welfare of the sugar workforce is protected	<ul style="list-style-type: none"> 1,500 workers who receive a social package from 2006 to 2007 1,500 workers who are retrained by 2007 	<ul style="list-style-type: none"> MSA Reports Corporate Annual Reports Ministry of Social Security 	Private sector and Government are able to finance the social packages Confirmed capacity and interest by institutions for re-skilling sugar workforce
Result 3	Productivity of sugarcane is increased	For both small planters' and private sector lands: <ul style="list-style-type: none"> 300 Ha of additional land derocked 	<ul style="list-style-type: none"> MSA Reports MSRI Reports Corporate Annual Reports 	Strong motivation of small planters to regroup Sufficient funds available for research institutions

LEVEL	INTERVENTION LOGIC	MEANS	ASSUMPTIONS
Activities leading to <u>RESULT 1</u>	Flexi factories are fully operational		
ACTIVITY 1.1:	Implement downsizing of the industry	<ul style="list-style-type: none"> Corporate sector Government 	Private sector and Government are able to finance the social packages
Activities leading to <u>RESULT 2</u>	Social welfare of the sugar workforce is protected		
ACTIVITY 2.1	Implement VRS II and blue print schemes	<ul style="list-style-type: none"> Corporate sector Government 	Private sector and Government are able to finance the social packages Corporate sector debt burden is alleviated
ACTIVITY 2.2	Train and empower 1,500 voluntarily retired sugar workforce	<ul style="list-style-type: none"> Training institutions Government Setting up of the Empowerment Fund Setting up of the Re-skilling scheme 	Confirmed interest by training institutions to focus on training of sugar workforce
Activities leading to <u>RESULT 3</u>	Productivity of sugarcane is increased		
ACTIVITY 3.1	Regrouping of small planters	<ul style="list-style-type: none"> Government (FSC) Government agricultural extension services Government incentives 	Strong motivation of small planters to regroup Government is able to provide incentives for regrouping Cane cultivation & harvest agreements are concluded with millers and large planters
ACTIVITY 3.2	De-rock an additional 300 ha of land	<ul style="list-style-type: none"> Mechanical equipment Government (SPMPC) 	Equipment required for derocking is made available Stone crushing plants are able to crush all the rocks
ACTIVITY 3.3	Undertake R&D to improve crop varietal yields	<ul style="list-style-type: none"> MSIRI Government (AREU) Government research services 	Sufficient funds available for research institutions

Note:

AREU	Agricultural Research and Extension Unit	MSA	Mauritius Sugar Authority
CEB	Central Electricity Board	MSIRI	Mauritius Sugar Industry Research Institute
CSO	Central Statistical Office	SPMPC	Small Planters' Mechanical Pool Cooperation
FSC	Farmers' Service Centre	IA	Irrigation Authority

ANNEX IV a.: Performance indicators and targets for the variable tranches for the years 2003 to 2007

Performance indicators for the Wastewater Sector	Baseline (year 2003)	Target					Indicators measured (as per provision of rider 2 to the F.A) * Year of analysis; Disbursement in financial year following
		Tranche 2 FY 2003/04*	Tranche 3 FY 2004/05*	Tranche 4 FY 2005/06*	Tranche 5 FY 2006/07*		
Nr 1. Project Capital expenditure under NSP (Detailed projections given in Annex E.1) <i>Performance measured</i>	Rs 900m (2002/3)	Rs 1,100m 0.700 (partial achievement)	Rs 1,160m 1,12 (achieved)	Rs 1,120m and (**): FY2006/07 budget of at least Rs 1,230m	Rs 1,230 m and (**): FY2007/08 budget of at least Rs 1,379m	The base projected expenditure is based on the financial year from 1 st July to 30 th June – exclusive of Value Added Taxes (VAT) (**) Forecasted budget allocations for the year of tranche disbursement	
Nr 2. House connections (Detailed projections given in Annex E.2) <i>Performance measured</i>	50,100	54,000 54,292 (achieved)	61,400 59,014 (partial achievement)	58,200***	59,600***	Cumulative projected domestic & non-domestic new physical connections. ***Excluding rehabilitations and other new accounts; New baseline in FY2004/05 is 55,596	
Nr 3. WMA financial sustainability (Detailed projections given in Annex E.3) <i>Performance measured</i>			Baseline = 1.29 (only from Tranche 4) 89% of revenue collected (achieved)	1.00	1.05	Ratio = WMA total annual revenue / (WMA total annual expenditure – User fee + Interests) See also footnote a)	
Nr 4 Implementation of industrial pollution control programme <i>Performance measured</i>	0	50 0 (not achieved)	50 50 (achieved)	50	50	Yearly implementation of Industrial Agreement with the industries discharging wastewater into the public sewer networks. Approximate number of industries in the sewer area = 200	
Nr 5 Improvement of access of the poor to suitable sanitation <i>Performance measured</i>	7800	9,100 9,147 (achieved)	10,400 10,704 (achieved)	11,400	12,400	Cumulative number of poor household getting access to proper sanitation through the CHA projects and from other capital sewer works planned.	
Nr 6 Implementation capacity <i>Performance measured</i>		(Introduced only from Tranche 4)	(Introduced only from Tranche 4)	01 N° and : 50 N°	02 N° and : 100 N°	Annual number of major contracts awarded among the NSP new capital projects (See also footnote b1) and : Annual number of monitoring inspections among the industries discharging wastewater into the public sewer networks (See also footnote b2)	
<i>Disbursement of variable tranches,</i> Over a max. amount of:		4.2 m. euros (over a max. amount of 6.6m.)	7.2 m. euros (over a max. amount of 7.6m.)	To be assessed in 2007 (max. amount of 7.1m.)	To be assessed in 2008 (max. amount 100% of reliquats)		

Foot notes:

All indicators for the variable tranche to be measured at 30 June of the financial year of analysis

Definition of indicators as revised in rider 2 to the Financing Agreement, applicable for the disbursement of tranches 4 and 5

- a) WMA total annual revenue includes the project management fee received from GoM; Domestic & non domestic tariffs assumed at June 2005 level;
WMA total annual expenditure includes the User fee paid to GoM; Interest includes the interest amounts paid by GoM on all external borrowings made in view of the NSP implementation
- b.1): Main works contracts and as an exception, the consultancy contract for Pl. Wilhems reticulation project due to its importance
- b.2): Inspection reports according to the methodology and reporting format to be established by WMA

ANNEX IV b.: Logical Framework of Decentralised Cooperation Programme Financing Agreement
LOGICAL FRAMEWORK
Annex 1

PROJECT : (EDF 9 Decentralised Cooperation Programme for Mauritius)

Intervention Logic	Objectively verifiable indicators	Sources of verification	Assumptions
<p>1) Overall objective</p> <p>Poverty is reduced through the capacity building of non-state actors (NSA)</p>	<ul style="list-style-type: none"> - Positive change in Millennium Development Goals indicators monitored for the country - Improved productivity of human capital 	<ul style="list-style-type: none"> - MDG Reports and independent assessments - Local statistics and computed indices (Central Statistical Office) - Economic country reports from UN and Bretton Woods institutions 	<p>Government maintains and develops other complementary strategies for poverty reduction.</p> <p>Involvement of national and local institutions with NSAs for participatory development</p> <p>Effective and unhampered mobilisation of communities</p> <p>Situation of stability.</p> <p>The country communicates or publishes timely information on economic development</p> <p>No major worldwide economic disruptions or heavily destructive natural disaster (cyclones)</p>
<p>2) Project purpose</p> <p>NSAs improve their strategic planning, advocacy, tooling and implementation capacity in poverty alleviation, good governance, employment creation and fight against unemployment, and in environmental sustainability.</p>	<ul style="list-style-type: none"> - Improved organisation of NSAs (and NGOs) at national level to participate in policy dialogue and social services - Improved good governance readiness and perception at various levels - Improved business environment for SMEs - Improved uptake of new technologies and markets by SMEs - Local acceptance in Rodrigues for natural resources management constraints 	<ul style="list-style-type: none"> - Independent evaluations. - International reports. - International benchmarks. - Survey - Reports from local institutions (Chamber of Commerce, JEC, etc) - Survey among Rodriguan producers 	<ul style="list-style-type: none"> - Current macroeconomic and sectoral policies (poverty, SME) are maintained and enhanced - Govt is open to more involvement of, and dialogue with, NSAs in national policy making - Govt commits to continual improvement of social, legal and fiscal environment in relation to good governance and services to the more deprived communities.

3) Results

Result 1:

Poverty in Mauritius and in Rodrigues is alleviated by improving the delivery of social services and complementing the resources of vulnerable groups

Delivery of social services :

- Increased level of community participation in dialogue, civil society fora, unions
- Increased civil society – government dialogue in policy decisions
- Increase in number of civil society cells and groups empowered thru skills development and other tools
- Community infrastructure improved
- Increase in number of specifically trained persons in formal NSA organisations
- Increase in linkages between local NSA groups and international NGOs.
- Demonstrated capacity of communities to identify their own development priorities and to plan and organise their own project.

Complementing the resources of vulnerable groups

- Direct interventions in deprived communities in education, health, and other priority needs
- Direct assistance to groups for income-generation activities
- No of Upgraded community infrastructures
- Social and cultural acceptability of microprojects
- Gender neutrality of microprojects
- Effective compliance of areas of intervention with priority needs
- Rate of community contribution to each project (proprietorship)

Local and international press, radio, and TV, event reports, PMU assessments

Reports from Economic and Social Councils and similar bodies (through the PMU)

Execution of programme investment in infrastructures

Consumption of training budget.

Training reports. Independent surveys Surveys. Reports from international NGOs, etc.

Workshop reports

PMU regular project reports on microprojects

Financial records from income-generation projects
PMU Reports

Quality reports (PMU) on approved grant requests

% gender neutral computed in PMU reports

Poverty study and PMU report on matching of activities
Project reports (PMU)

NSAs, in particular NGOs, trade unions, women organisations are conducive to identification of weaknesses and capacity building initiatives

Govt enhances participation of NSAs in dialogue processes before policy decisions

Govt ensures coordination among various poverty alleviation funds

Grants and Projects are monitored efficiently during and after implementation

Microprojects, particularly in Education and Health, are in line with the govt or local authorities plans so as to ensure formal commitments in regard to staffing, furnishing and equipment of new facilities and for recurrent expenditures.

For income generation/production projects. beneficiaries should record and organise income they receive from a particular micro-project enterprise and plan for costs coverage and allowances for replacement.

Result 2 :

Good governance is promoted in terms of awareness and strengthening of NSAs for participatory policy formulation and fight against fraud and corruption in all sectors

- Improved management capacity of good governance interest groups
- Participation of NSA's in forums addressing good governance increased
- Inputs of NSA's in national policies regarding poverty issues augmented and improved
- Formalisation of an effective division of task between state and civil society
- Increase in cooperation mechanisms between local good governance NSA groups and international corresponding NGOs
- Increase in number of trained staff and members in NSA groups and local authorities on good governance, fight against fraud, etc.
- No of people sensitised on good governance issues

Training and seminar reports specific to these interest groups

Subject reports on the country from external or international institutions or bodies

Press. Seminars and Forum proceedings. PMU reports.

National policy document or Memorandum of Understanding

Survey. PMU reports. Press.

Training or seminar reports. PMU reports. Surveys.

Public Awareness campaigns (press, radio, tv) media reports.

Quality of web site and frequency of hits and feedback

Government is committed to involve the social and economic partners in policy-making process and in decision making particularly on poverty-related issues

Existence of competent partners and agencies or NGOs

Result 3 :

Unemployment is mitigated through capacity building in business support services and promotion of more sustainable, innovative, higher value-added entrepreneurship

- Increase in participation in best practice workshops for SMEs in innovation and new business areas'
- Increase in rate of creation or offshooting of SMEs in new business areas
- Increase in SME investments in BPR
- Increase in SMEs understanding and using knowledge management to develop trade and export markets
- Improved quality of market and business intelligence tools
- Increase in re-skilling instruments (professional courses, university programmes) targeted to SME cadres in new sectors, R&D, innovation
- Increase in N° of SME cadres trained in new markets and business sectors, innovation and R&D
- N° of new business sectors and ideas appraised
- Increase in participation of SMEs in emerging transborder clusters (textile, leather, footwear, etc)

PMU records
 Published Industrial statistics Report (by PMU) on increase in number of firms (or spin-offs) in new sectors
 Independent Benchmarking and feedback from business support services
 PMU Reports.
 Course / Programme development commissioning reports
 Training reports.
 Enrolment and qualification data from institutions.
 Business incubator reports.
 Updated Roadmaps of SME supply chains in selected sectors

Surveys

Govt supports policy related to innovation, R&D, and entrepreneurship.
 Government-led campaigns for improving business attitudes to innovation, R&D, internet
 Govt or Institutions are equipped for surveillance of quality content on the trade intelligence portals
 SMEs are willing to band together for marketing, promotional, and buying efficiencies (economies of scale)
 Further cluster studies are undertaken by relevant national bodies
 Ease of access to funds for SMEs to embark on innovation and new technologies in general
 National universities accommodate lifelong learning for SME cadres

Result 4:

A more efficient management of natural resources in Rodrigues is promoted by way of an integrated approach across all stakeholders

- Increase in number of projects involved with water, soil, forestry and fishery resources
- Increase in conversion of direct assistance projects to revenue-generation projects
- Increase in land area and number of inhabitants sensitised to good practice in water and soil management

PMU Report.
Reports from agricultural and fisheries and rural development local bodies
Reports from other donors (UNDP, IFAD) intervening in Rodrigues
PMU monitoring reports
Awareness seminar reports.
Commissioning reports on equipment or technology upgrading.

The Rodrigues Regional Assembly (RRA) ensures that NSAs and other stakeholders in Rodrigues have access to necessary and complementary infrastructural and administrative facilities.
The RRA is committed to develop the multiplier effect of past EU interventions in the areas of rural development, fisheries, water, and anti-erosion.
For income-generation projects beneficiaries record and plan their income in relation to sustainable costs and recurrent expenditure.

No heavily destructive natural calamity (cyclones) on infrastructures, people, land, and farming, and livestock

ANNEX V: Table of decommitments and closures of past projects

Summary of past 6th 7th & 8th Reliquats transferred to 9th EDF Mauritius (including decommitments)			
Date of transfer to 9th EDF		€	
	6th EDF		
23/06/2005	Transferring of uncommitted 6th EDF to 9th EDF accounting as at 23.06.2003	774,795	
	7th EDF		
23/06/2003	Transferring of uncommitted 7th EDF to 9th EDF accounting as at 23.06.2003	1,209,207	
24/06/2003	Closure of 7 MAS 37 1st microproject prog	76,698	(923,301.82 € used out of 1,000,000.00 €)
30/09/2003	Decommitment on 7 MAS 16 - MIPAM project	480,000	Reduced from 1,205,00 € to 725,000 €
30/09/2003	Closure of 7 MAS 42- Training of police cadre	41,418	(508,582.42 € used out of 550,000 €)
30/09/2003	Closure of 7 MAS 54 - Enhancing democracy and the state of law	71,919	(378,080.66 € used out of 450,000 €)
19/05/2004	Closure of 7 MAS 16 – MIPAM	91,171	(633,829.40 € used out of reduced sum of 725,000 €)
03/12/2004	Closure of 7 ACP MAS 50 -Mahebourg Market	45,932	(104,068.21 € used out of 150,000 €)
25/01/2005	Closure of 7 MAS 51 - Mahebourg market -Works	319,791	(1,530,209.32 € used out of 1,850,000 €)
06/06/2006	Closure of 7 ACP MAS 32 - NPIP Project	281,527	(8,718,472.53 € used out of 9,000,000 €)
	Closure of HRC (7 MAS 23)		
	8th EDF		
23/06/2003	Transferring of uncommitted 8th EDF to 9th EDF accounting as at 23.06.2003	3,050,811	
30/09/2003	Closure of 8 MAS 20 -Publ of brochure : Le FED à Rodrigues 1982 - 2002	2,711	(17,288.51€ used out of 20,000 €)
31/10/2003	Closure of 8 MAS 21 - 9th EDF macroeconomic study	2,097	(29,903.15 € used out of 32,000 €)
28/01/2004	Closure of 8 MAS 19 - 9th EDF sectoral study	11,328	(59,672 € used out of 71,000 €)
22/11/2004	Partial decommitment on 8 MAS 6 – CTC	230,000	(Reduced project amount from 1,365,000 € to 1,135,000 €)

22/11/2004	Partial decolmitment on 8 MAS 10 - SME project	5,180,000	(Reduced project amount from 7,000,000 € to 1,820,000 €)
22/11/2004	Closure of 8 MAS 7 - Tourism Development Plan for Rodrigues & Mauritius	40,445	(609,555.48 € used out of 650,000 €)
22/11/2004	Closure of 8 MAS 23 - Feasibility Study - DCP	33,789	(46,211.09 used out of 80,000 €)
03/05/2005	Closure of 8 MAS 15 - West Coast Sewerage feasibility Study	12,276	(137,724.36 € used out of 150,000 €)
05/12/2005	2nd Partial decolmitment on 8 MAS 10 - SME project	749,156	(Reduced project amount from 1,820,000 € to 1,070,843.63 €)
17/01/2006	Partial decolmitment on 8 MAS 5 - St Martin Sewerage Treatment Plant Expansion	565,422	(Reduced 16,700,000 € to 16,134,578.19 €)
07/03/2006	Closure of 8 MAS 12 (ports project)	211,163	(188,836.66 € used instead of 400,000 €)
07/03/2006	Closure of 8 MAS 9 Poverty Alleviation (ANDE)	199,144	(3,464,856.20 € used out of 3,665,000 €)
07/03/2006	Closure of 8 MAS 3 (Anti Erosion)	908,088	(3,051,911.83 used out of 3,300,000 €)
29/09/2006	Closure of 8 MAS 6 (CTC Project)	395,893	(739,107.36 € used out of decolmitment project amount of 1,155,000 €)
07/11/2006	Decolmitment on St Martin Project 8 ACP MAS 5	49,975	decommit balance
11/01/2007	Closure of TA to WMA 8 ACP MAS 17	29,384	(720,115.58 used out of 749,500 €)
	CHA Estates project (8 ACP MAS 11)		
	Closure of SME project (8 MAS 10)		
	Total reliquats transferred to 9th EDF at 17/02/2006	15,064,140	
Performance in 2006			
	6th EDF	-	
	7th EDF	281,527	
	8th EDF	2,359,069	
		2,640,597	

ANNEX VI a.: Financial situation - 6th EDF

COUNTRY: MAURITIUS EDF 6
SITUATION : 31/12/2006

Accounting N°	Project title	GFC [1]	IFC [2]	% [2] / [1]	Paid [3]	% [3] / [1]	Action taken/to be taken and when (A-D):RAL Status of projects open beyond end date A: GFC to close, B: IFCs to close, C: IFC with open advances, D: IFC with problems
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100% clôturés (100% closed)							TOTALS
30,202,707	30,202,707	100%	30,202,707	100%	30,202,707	100%	TOTALS

6.ACP.MAS.04	T.A. to the Agricultural Marketing Board	123,949.19	123,949.19	100%	123,949.19	100%	Closed
6.ACP.MAS.07	Agricultural Development Program in Rodrigues	3,228,055.58	3,228,055.58	100%	3,228,055.58	100%	Closed
6.ACP.MAS.08	Industrial Diversification Program (Grant)	4,893,890.73	4,893,890.73	100%	4,893,890.73	100%	Closed
6.ACP.MAS.09	Industrial Diversification Program (Special Loan)	4,692,580.50	4,692,580.50	100%	4,692,580.50	100%	Closed
6.ACP.MAS.10	T.A. for Preparation of Agric. Diversification Prog.	16,411.53	16,411.53	100%	16,411.53	100%	Closed
6.ACP.MAS.14	ACP-EEC Cultural Show	9,428.59	9,428.59	100%	9,428.59	100%	Closed
6.ACP.MAS.15	1st Microprojects Program	670,529.52	670,529.52	100%	670,529.52	100%	Closed
6.ACP.MAS.16	National Handicraft Development Program	1,693,145.22	1,693,145.22	100%	1,693,145.22	100%	Closed
6.ACP.MAS.17	Agricultural Diversification Program (Special Loan)	4,000,000.00	4,000,000.00	100%	4,000,000.00	100%	Closed
6.ACP.MAS.18	Agricultural Diversification Program (Grant)	4,007,573.66	4,007,573.66	100%	4,007,573.66	100%	Closed
6.ACP.MAS.20	T.A. to Energy Planification	22,000.00	22,000.00	100%	22,000.00	100%	Closed
6.ACP.MAS.21	T.A. to Project Prep. : National Derocking Scheme	50,093.41	50,093.41	100%	50,093.41	100%	Closed
6.ACP.MAS.22	T.A. to Tender Prep. : National Derocking Scheme	22,292.00	22,292.00	100%	22,292.00	100%	Closed

6.ACP.MAS.23	Study : A National Fruit Fly Control Project	38,756.60	38,756.60	100%	38,756.60	100%	Closed
6.ACP.MAS.24	National Derocking Scheme (Grant)	1,978,157.56	1,978,157.56	100%	1,978,157.56	100%	Closed
6.ACP.MAS.25	National Derocking Scheme (Special Loan)	979,063.21	979,063.21	100%	979,063.21	100%	Closed
6.ACP.MAS.26	Study : Upgrading of Existing Technical Training Institutions	21,643.98	21,643.98	100%	21,643.98	100%	Closed
6.ACP.MAS.27	Study (II) : National Fruit Fly Control Project	25,736.41	25,736.41	100%	25,736.41	100%	Closed
6.ACP.MAS.28	Evaluation : Agric. Dev. Project in Rodrigues	46,917.48	46,917.48	100%	46,917.48	100%	Closed
6.ACP.MAS.29	Supervision of road works : Pamplermousses/Grand Baie	159,443.13	159,443.13	100%	159,443.13	100%	Closed
6.ACP.MAS.30	Study : Preparation of West Coast Irrig. Project	54,965.76	54,965.76	100%	54,965.76	100%	Closed
6.ACP.MAS.31	Study : Range and Forest Management in Rodrigues	9,766.72	9,766.72	100%	9,766.72	100%	Closed
6.ACP.MAS.32	Study : St. Martin Sewage Plant	62,666.87	62,666.87	100%	62,666.87	100%	Closed
6.ACP.MAS.33	Study : Civil Service College	39,977.29	39,977.29	100%	39,977.29	100%	Closed
6.ACP.MAS.34	Study : T. A. Project to the EPZDA	54,471.83	54,471.83	100%	54,471.83	100%	Closed
6.ACP.MAS.35	Study : Solid Waste Management Project	59,200.00	59,200.00	100%	59,200.00	100%	Closed
6.ACP.MAS.36	Study (II) West Coast Irrigation Project	8,526.56	8,526.56	100%	8,526.56	100%	Closed
6.ACP.MAS.37	Study : Preparation of IVTB Support Project	14,130.16	14,130.16	100%	14,130.16	100%	Closed
6.ACP.MAS.38	Evaluation : National Derocking Scheme Project	45,543.75	45,543.75	100%	45,543.75	100%	Closed
6.ACP.MAS.39	IVTB Project : Technical and Institutional Support	1,980,267.08	1,980,267.08	100%	1,980,267.08	100%	Closed
6.ACP.MAS.41	Study : Prep. of Solid Waste Project Technical Dossier	142,855.91	142,855.91	100%	142,855.91	100%	Closed
6.ACP.MAS.42	Participation of MEDIA in 1995 International Fairs	86,039.14	86,039.14	100%	86,039.14	100%	Closed
6.ACP.MAS.45	Study : St. Martin Sewage Plant	468,991.24	468,991.24	100%	468,991.24	100%	Closed
6.ACP.MAS.46	Review of Solid Waste Management Plan	57,333.70	57,333.70	100%	57,333.70	100%	Closed
6.ACP.MAS.48	Phoenix - N France road - Study	89,437.81	89,437.81	100%	89,437.81	100%	Closed
6.ACP.MAS.49	Improving the quality of horticulture - under 9 ACP MAS 7	348,864.41	348,864.41	100%	348,864.41	100%	Closed

COUNTRY: MAURITIUS EDF 6		AMOUNT in EUROS	% of GFC	% of NIP
SITUATION:	DATE:			
[A]	NET 6th EDF ENVELOPE	30,202,707		
	Indicative Programme	31,000,000		
	Transfers EDF 4	228,637		
	Transfers of 6 MAS 49 into a new accounting number 9 ACP MAS 7	(251,136)		
	Transfers to 9th EDF upon closure of 6th EDF projects	(774,794)		
[B]	GFC : Global Financial Commitments	30,202,707	100.00%	
[C]	IFC : Individual Financial Commitments	30,202,707	100.00%	
[D]	PAYMENTS	30,202,707	100.00%	
[E]	Uncommitted balance	0	0.00%	
	RAL (reste à liquider)	-	0.00%	
	RAC (reste à contracter)	-	0.00%	
	RAP (reste à payer)	-	0.00%	
TOTAL				

ANNEX VI b.: Financial situation - 7th EDF

COUNTRY: MAURITIUS EDF 7	
SITUATION : 31/12/2006	
Accounting N°	Project title

	GFC [1]	IFC [2]	% [2] / [1]	Paid [3]	% [3] / [1]	Action (A-D):RAL Status of projects open beyond end date A: GFC to close, B: IFCs to close, C: IFC with open advances, D: IFC with problems
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32,276,972.90	32,264,570.26	99.96%	32,228,457.47	99.85%	TOTALS
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7.acp.mas.3	Route Pamplémousses - G Baie (travx.) : voir 7.mas.011	4,949,605.36	4,949,605.36	100%	4,949,605.36	100%	Closed
7.acp.mas.4	Gestion des ressources naturelles et agricoles de Rodrigues	1,938,021.76	1,938,021.76	100%	1,938,021.76	100%	Closed
7.acp.mas.5	Programme de contrôle des mouches de fruits	1,597,641.93	1,597,641.93	100%	1,597,641.93	100%	Closed
7.acp.mas.7	Etude Human Resource Centre - Rodrigues	19,083.14	19,083.14	100%	19,083.14	100%	Closed
7.acp.mas.8*	TRSF 5° FED : Prog. pluri-annuel de formation 84-86	(26,660.35)	(26,660.35)	100%	(26,660.35)	100%	Closed
7.acp.mas.9*	TRSF 5° FED : Rel.1-2-3 FED : AT Centre National Artisanat	10,739.27	10,739.27	100%	10,739.27	100%	Closed
7.acp.mas.10*	TRSF 5° FED : Rte Pamplémousses - G Baie (Supervision)	182,737.96	182,737.96	100%	182,737.96	100%	Closed
7.acp.mas.11*	TRSF 5° FED : Rte Pamplémousses - G Baie (Travaux)	166,848.87	166,848.87	100%	166,848.87	100%	Closed

7.acp.mas.12	West coast irrigation project (Magenta)	4,059,482.54	4,059,482.54	100%	4,059,482.54	100%	Closed
7.acp.mas.13	Etude NPIP (M1 Pipeline)	377,433.95	377,433.95	100%	377,433.95	100%	Closed
7.acp.mas.16	Appui au MIPAM	633,829.40	633,829.40	100%	633,829.40	100%	Closed
7.acp.mas.19	Projet de lutte contre le SIDA	331,256.66	331,256.66	100%	331,256.66	100%	Closed
7.acp.mas.21	St Martin sewerage project feasibility study	57,902.27	57,902.27	100%	57,902.27	100%	Closed
7.acp.mas.22	Study : Northern Plains Diversification	26,322.52	26,322.52	100%	26,322.52	100%	Closed
7.acp.mas.23	Human Resource Centre in Rodrigues	660,000.00	647,597.36	98%	611,484.57	93%	Project closed in March 2007
7.acp.mas.25	Study : Abattoir	59,321.48	59,321.48	100%	59,321.48	100%	Closed
7.acp.mas.30	Seminar on EDF procedures	25,462.24	25,462.24	100%	25,462.24	100%	Closed
7.acp.mas.31	Consultancy : St Martin Sewage Treatment Plant	60,846.43	60,846.43	100%	60,846.43	100%	Closed
7.acp.mas.32	Northern Plains Irrigation Project (Works)	8,718,472.53	8,718,472.53	100%	8,718,472.53	100%	Closed
7.acp.mas.33	Final report on 6th EDF micro-projects program	16,506.86	16,506.86	100%	16,506.86	100%	Closed
7.acp.mas.34	Study on promotion of private sector	57,188.29	57,188.29	100%	57,188.29	100%	Closed
7.acp.mas.35	Rodrigues anti-erosion study	31,727.24	31,727.24	100%	31,727.24	100%	Closed

7.acp.mas.36	T.A. to Waste Water Authority	573,827.56	573,827.56	100%	573,827.56	100%	Closed
7.acp.mas.37	Microprojects program	923,301.82	923,301.82	100%	923,301.82	100%	Closed
7.acp.mas.39	Training of Police Cadres (study)	24,523.86	24,523.86	100%	24,523.86	100%	Closed
7.acp.mas.40	Mahebourg market study	29,674.18	29,674.18	100%	29,674.18	100%	Closed
7.acp.mas.41*	Industrial & Vocational Training Board (see 6.MAS,039)	163,975.85	163,975.85	100%	163,975.85	100%	Closed
7.acp.mas.42	Training of Police Cadres	508,582.42	508,582.42	100%	508,582.42	100%	Closed
7.acp.mas.43	Rehab. of sewage infrastructure in housing states (study)	138,539.07	138,539.07	100%	138,539.07	100%	Closed
7.acp.mas.44	Trend Forum 1998	113,414.89	113,414.89	100%	113,414.89	100%	Closed
7.acp.mas.45	Prefeasibility study : Desiltation of lagoon Rodrigues	32,900.00	32,900.00	100%	32,900.00	100%	Closed
7.acp.mas.46	Phoenix - Nvelle France Rd (2nd C/Way)	3,693,178.99	3,693,178.99	100%	3,693,178.99	100%	Closed
7.acp.mas.47	Preparation of microproject "Poverty Relief"	48,730.50	48,730.50	100%	48,730.50	100%	Closed
7.acp.mas.48	Feasibility study Venture Capital and Mutual Guarantee	13,861.33	13,861.33	100%	13,861.33	100%	Closed
7.acp.mas.50	Mahebourg market : Consultancy services	104,068.21	104,068.21	100%	104,068.21	100%	Closed
7.acp.mas.51	Mahebourg market : Works - Reconstruction	1,530,209.32	1,530,209.32	100%	1,530,209.32	100%	Closed

7.acp.mas.52	Set up Quality Strategy by Mauritian Horticultural sector.	24,555.67	24,555.67	100%	24,555.67	100%	Closed
7.acp.mas.53	Appui participation de Craft Aid au festival Skane	21,778.22	21,778.22	100%	21,778.22	100%	Closed
7.acp.mas.54	Enhancing democracy and the state of law	378,080.66	378,080.66	100%	378,080.66	100%	Closed

COUNTRY: MAURITIUS EDF 7			% of NIP	% of GFC	AMOUNT in EUROS
SITUATION : 31/12/2006					
	NET 7th EDF ENVELOPE	[A]			32,276,973
[A]	Indicative Programme				34,000,000
	Transfer 5th NIP to 7th EDF NIP				894,635
	Transfers to 9th EDF upon closure of 7th EDF projects (inc partial decommitments)				(2,617,662)
[B]	GFC : Global Financial Commitments	[B]	100.00%		32,276,973
[C]	IFC : Individual Financial Commitments	[C]	99.96%	99.96%	32,264,570
[D]	PAYMENTS	[D]	99.85%	99.85%	32,228,457
[E]	Uncommitted balance	[A] - [B]	0.00%		0

RAL/RAC/RAP	RAL (reste à liquider)	[B] - [D]	0.15%	0.15%	48,515
TOTAL	RAC (reste à contracter)	[B] - [C]	0.04%		12,403
	RAP (reste à payer)	[C] - [D]	0.11%		36,113

ANNEX VI c.: Financial situation - 8th EDF

MAURITIUS EDF 8
31/12/2006

Project title	GFC [1]	IFC [2]	%	Paid [3]	%	Action taken/to be taken and when (A-D):RAL Status of projects open beyond end date A: GFC to close, B: IFCs to close, C: IFC with open advances, D: IFC with problems
	30,357,702.08	30,312,454.52	99.85%	30,043,557.20	98.97%	TOTALS
Programme de lutte anti-érosion à Rodrigues	3,051,911.83	3,051,911.83	100%	3,051,911.83	100%	Closed
Enhancing the competitiveness of the Mauritius Freeport Sector	-	-	-	-	-	Closed
St Martin Sewage Treatment Plant	16,084,603.27	16,084,603.27	100%	16,084,603.27	100%	IFC no 4 & no 6 are still open. Waiting for final works acceptance certificate in 2008.
Clothing Technology Centre	739,107.36	739,107.36	100%	739,107.36	100%	Closed
Tourism development plan for Mauritius and Rodrigues	609,555.48	609,555.48	100%	609,555.48	100%	Closed
Preparation of manual of procedures for poverty project	8,346.73	8,346.73	100%	8,346.73	100%	Closed
8th EDF microprojects programme (Poverty project)	3,465,856.20	3,465,856.20	100%	3,465,856.20	100%	Closed
Support to Small and Medium Enterprises	1,070,843.63	1,070,843.63	100%	850,521.96	79%	Closed in March 2007
Rehabilitation of sewerages in housing estates	4,000,000.00	3,984,136.86	100%	3,935,561.21	98%	IFC no.1 still open. Will be closed in June 2007

Port Training	188,836.66	188,836.66	100%	188,836.66	100%	Closed
TA Sewerage projects	98,341.81	98,341.81	100%	98,341.81	100%	Closed
West Coast Sewerage Feasibility Study	137,724.36	137,724.36	100%	137,724.36	100%	Closed
TA to Waste Water Management Authority	749,500.00	720,115.58	96%	720,115.58	96%	B Closed in January 2007
9th EDF sectoral study	59,672.00	59,672.00	100%	59,672.00	100%	Closed
Publ of brochure : Le FED a Rodrigues 1982 - 2002	17,288.51	17,288.51	100%	17,288.51	100%	Closed
9th EDF macroeconomic study	29,903.15	29,903.15	100%	29,903.15	100%	Closed
9th EDF Decentralised cooperation programme : Feasibility study	46,211.09	46,211.09	100%	46,211.09	100%	Closed

MAURITIUS EDF 8				
31/12/2006			% of NIP	% of GFC
				AMOUNT in EUROS
NET 8th EDF ENVELOPE	[A]			30,357,702
Indicative Programme				39,500,000
Top up				2,500,000
Transfers to 9th EDF upon closure of 8th EDF projects (inc partial decommitments)				(11,642,298)
GFC : Global Financial Commitments	[B]	100.00%		30,357,702
IFC : Individual Financial Commitments	[C]	99.85%	99.85%	30,312,455
PAYMENTS	[D]	98.97%	98.97%	30,043,557
Uncommitted balance	[A] - [B]	0.00%		-

RAL (reste à liquider)	[B] - [D]	1.03%	1.03%	314,145
RAC (reste à contracter)	[B] - [C]	0.15%		45,248
RAP (reste à payer)	[C] - [D]	0.89%		268,897

ANNEX VI d.: Financial situation - 9th EDF

MAURITIUS EDF 9								
COUNTRY:								
SITUATION :	31/12/2006							
Accounting N°	Project title	GFC [1]	IFC [2]	% [2] / [1]	Paid [3]	% [3] / [1]	Action (A-D):RAL A: GFC to close, B: IFCs to close, C:IFC with advances, D: IFC	
		54,311,887.00	33,592,313.97	61.85%	26,806,342.60	49.36%	TOTALS	
9-ACP MAS-1	POST-KALUNDE REHABILITATION PROGRAMME FOR RODRIGUES (ENV B)	499,000	486,920	98%	315,522	63%	Closure in progress	
9-ACP MAS-3	MAURITIUS WASTEWATER SECTOR POLICY SUPPORT PROGRAMME	39,800,000	29,173,866	73%	25,399,266	64%	On going	
9-ACP MAS-4	EVALUATION OF THE MAHEBOURG MARKET PROJECT - CLOSED IN OLAS	12,887	12,887	100%	12,887	100%	Closed	
9-ACP MAS-5	ECO TECHNICAL COOPERATION FACILITY (TCF)	500,000	107,482	21%	64,188	13%	On going	
9-ACP MAS-6	ECO CAPACITY BUILDING PROGRAMME - NSA'S FIGHT AGAINST POVERT	13,500,000	3,811,159	28%	1,014,479	8%	On going	
9-ACP MAS-7	Improving the quality of horticulture - ex 6 ACP MAS 49	251,136	206,919	82%	57,141	23%	6th EDF project transferred 9th EDF accounting number	
9-ACP MAS-8	Mauritius Sugar Sector Support Programme A	-	-	-	-	-	Budgeted amount = 4,117,000 €	
9-ACP MAS-9	Mauritius Sugar Sector Support Programme B	-	-	-	-	-	Budgeted amount = 440,000 €	

COUNTRY:	MAURITIUS EDF 9					
SITUATION :	31/12/2006			% of NIP	% of GFC	AMOUNT in EUROS
[A]	TOTAL NIP ENVELOPE including transfers and and Top Ups)	[A]				59,134,754
	Indicative Programme A envelope & B envelope					34,100,000
	Top up					10,000,000
	Transfers from previous EDFs					15,034,754
[B]	GFC : Global Financial Commitments	[B]	91.84%			54,311,887
[C]	IFC : Individual Financial Commitments	[C]	56.81%	61.85%		33,592,314
[D]	PAYMENTS	[D]	45.33%	49.36%		26,806,343
[E]	Uncommitted balance	[A] - [B]	8.16%			4,822,867
RAL/RAC/RAP TOTAL	RAL (reste à liquider)	[B] - [D]	46.51%	50.64%		27,505,544
	RAC (reste à contracter)	[B] - [C]	35.04%			20,719,573
	RAP (reste à payer)	[C] - [D]	11.48%			6,785,971

ANNEX VII: Financial situation - Regional Projects

COUNTRY: REGIONAL EDF 9
SITUATION : 31/12/2006

Accounting N°	Project title	GFC [1]	IFC [2]	% [2] / [1]	Paid [3]	% [3] / [1]	Action taken/to be taken and when (A-D):RAL Status of projects open beyond end date A: GFC to close, B: IFCs to close,C:IFC with open advances, D: IFC with problems
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PROJECTS MANAGED BY DELEGATION IN MAURITIUS

		37,065,796.57	22,744,279.61	61.36%	10,238,978.72	27.62%	TOTALS
9 ACP RSA 1	Projet Pilote Régional de surveillance, contrôle et suivi des Grands pélagique migrants	3,415,796.57	3,007,719.57	88%	852,887.86	25%	ON GOING PROJECT
9 ACP RSA 5	Regional Tuna tagging Project	4,300,000.00	4,208,976.25	98%	1,863,703.24	43%	ON GOING PROJECT
9 ACP RSA 6	Regional Tuna tagging Project	9,700,000.00	9,166,922.50	95%	5,641,634.92	58%	ON GOING PROJECT
9 ACP RSA 7	Appui institutionnel au secrétariat général de la COI	1,650,000.00	1,639,881.29	99%	938,544.70	57%	ON GOING PROJECT
9 ACP RSA 20	Regional Programme for the sustainable management of coastal resources	18,000,000.00	4,720,780.00	26%	942,208.00	5%	ON GOING PROJECT

ANNEX VIII: Financial situation - EIB projects

	PROJECT	SECTOR	DATE	AMOUNT (Euro)
1	Albion Resort Mauritius	Services	30/03/2006	14,000,000
2	Albion Resort Mauritius	Services	11/12/2005	5,000,000
3	SBM Global Loan	Global Loan	28/07/2005	20,000,000
4	Mauritius Container Terminal II	Transports	21/12/2004	14,000,000
5	Bel Ombre Hotel	Services	12/08/2003	3,300,000
6	Bel Ombre Hotel	Services	12/08/2003	6,100,000
7	Bel Ombre Hotel	Services	12/08/2003	2,800,000
8	CWA Reduction of Non-Revenue Water	Water, sewerage	20/12/2002	20,000,000
9	Rodrigues Power Station	Energy	18/02/2002	2,000,000
10	Plaines Wilhems Sewerage	Water, sewerage	17/12/2001	35,000,000
11	SSR Airport Extension II	Transports	10/10/2000	18,000,000
12	Harel Belle-Vue Bagasse Energy	Energy	21/09/1998	10,000,000
13	Amenagement de l'aeroport	Transports	12/09/1996	8,000,000
14	Port of Port-Louis	Transports	07/07/1997	3,000,000
15	Port of Port-Louis	Transports	18/12/1995	12,000,000
16	Baie du Tombeau Sewerage Project	Water, sewerage	06/11/1995	16,000,000
17	Telecommunications	Telecom	29/12/1994	14,000,000
18	CWA - Adduction d'eau - La Marie	Water, sewerage	20/09/1993	10,000,000
19	CWA - Adduction d'eau - La Marie	Water, sewerage	20/09/1993	2,000,000
20	Maurilait	Industry	27/07/1992	600,000
21	Maurilait	Industry	27/07/1992	2,000,000
22	Socota II	Industry	20/12/1991	2,500,000
23	Mauritius Flower Mill	Industry	22/11/1988	3,000,000
24	CEB IV	Energy	02/12/1987	3,000,000
25	CEB IV	Energy	02/12/1987	10,000,000
26	Socota Textile Mill	Industry	16/12/1986	1,500,000
27	Socota Textile Mill	Industry	16/12/1986	9,000,000
28	DBM III Pret Global	Global loans	25/08/1986	6,000,000
29	DBM III Pret Global	Global loans	25/08/1986	2,000,000
30	DBM P.G. II Etude	Global loans	12/11/1982	500,000
31	DBM P.G. II	Global loans	12/11/1982	4,000,000
32	Ethanol Study	Services	02/09/1980	35,000
33	CEB III	Energy	02/06/1980	7,500,000
34	DBM PG I	Global loans	08/09/1977	3,000,000
35	CEB II	Energy	03/12/1976	2,000,000
36	CEB I Fort Victoria Power Station	Energy	18/07/1975	1,750,000



MAURITIUS

EDF FORECASTS 2007 - 2008: PAYMENTS on ONGOING PROJECTS.

(amounts in €)

ANNEX IX

YEAR of GLOB. Commit.	ACCOUNTING NUMBER of GLOBAL commit.	N° INDIV. COMMIT.	TITLE GLOBAL COMMITMENT	END date of implementation	SITUATION END 2006			FORECASTS on PAYMENTS 1st SEM 2007				FORECASTS on PAYMENTS 2nd SEM 2007				FORECAST PAYMENTS 1st SEM 2008				FORECAST PAYMENTS 1st SEM 2009					
					AMOUNT ON GOING INDIV. COMMIT.	PAYMENTS ON GOING INDIV. COMMIT.	RAP	ESTIMATION of RISK FACTOR			ESTIMATION of RISK FACTOR			ESTIMATION of RISK FACTOR				ESTIMATION of RISK FACTOR							
								1 st SEMESTER	Low L	Medium M	High H	2 nd SEMESTER	Low L	Medium M	High H	1 st SEMESTER	Low L	Medium M	High H	2 nd SEMESTER	Low L	Medium M	High H		
TOTAL ON ONGOING GLOBAL COMMITMENTS					77,118,882	16,291,641	20,821,429																		
TOTAL ON ONGOING INDIVIDUAL COMMITMENTS					46,381,746	13,074,783	7,207,954	496,327	428,727	442,000	21,000	1,218,000	584,000	584,000	0	3,048,000	2,448,000	650,000	0	748,000	121,000	123,000			
1999	7ACP MAS23	0	ECO APPLI CENTRE RESSOURCES HUMAINES A RODRIGUES. ECO DP 4 : 010402001.		860,000	847,597	12,400																		
1995	7ACP MAS23	11	30/11/2003 Individual Commitment	2002100	202,100	165,987	36,113	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
1999	8ACP MAS5	0	INF ST. MARTIN SEWAGE TREATMENT PLANT EXPANSION - STAGE 1	2002021	16,084,600	15,084,600	0																		
1999	8ACP MAS5	4	INF CONSORTIUM DEGREMONT/BLUG/GROUP FIV	2003100	891,887	891,887	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
1999	8ACP MAS5	6	INF CONSORTIUM DEGREMONT/BLUG/GROUP FIV	2003100	824,233	824,233	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
1999	8ACP MAS5	Total	Individual Commitment		1,716,120	1,716,120	0																		
2000	8ACP MAS10	0	ECO PROGRAMME D'APPLI AUX PETITES ET MOYENNES ENTREPRISES.	2003031	1,070,844	1,070,844	0																		
2000	8ACP MAS10	2	ECO JEJCO	2003002	747,300	527,178	220,322	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2000	8ACP MAS10	Total	Individual Commitment		747,300	527,178	220,322																		
2000	8ACP MAS11	0	INF REHABILITATION OF SEWERAGE IN CHA HOUSING ESTATES.	2004021	4,000,000	3,984,137	15,863																		
2000	8ACP MAS11	1	INF TA CONTRACT - CIVILWORKS CONTRACT	2003101	292,000	255,154	36,846	24,000	0	0	24,000	0	0	0	0	0	0	0	0	0	0	0	0	0	
2000	8ACP MAS11	2	INF TA CONTRACT - CIVILWORKS CONTRACT	2004121	3,570,000	3,658,271	11,729	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2000	8ACP MAS11	Total	Individual Commitment		3,962,000	3,913,424	48,576																		
2000	9ACP MAS7	0	INF IN PMA 0002 (DRU) IMPROVING THE QUALITY OF HORTICULTURE	2004021	251,138	208,919	44,216																		
2000	9ACP MAS7	1	INF IN PMA 0002 (DRU) UNV. OF GREENWICH- NATURAL RESOURCES	2003011	181,431	80,827	120,604	35,000	35,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2000	9ACP MAS7	2	INF IN PMA 0004 (DRU) WP 3 HORTICULTURE (2-27-000)	2004011	25,486	0	25,486	7,000	7,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2000	9ACP MAS7	Total	Individual Commitment		208,919	80,827	148,262																		
2002	8ACP MAS17	0	INF TA TO WASTE WATER MANAGEMENT AUTHORITY (WMA)	2003002	749,500	720,118	29,384																		
2003	9ACP MAS1	0	INF POST-KALUNDE REHABILITATION PROGRAMME FOR ROODUISSES	2003021	489,000	486,920	12,080																		
2003	9ACP MAS1	1	INF WP FOR WATER STORAGE	2003021	472,400	301,065	171,335	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2003	9ACP MAS1	2	RODRIGUES REG. ASS. INF FINANCIAL AND SYSTEM	2004021	14,520	14,457	63	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2003	9ACP MAS1	Total	Individual Commitment		486,920	315,522	171,398																		
2003	9ACP MAS3	0	INF MAURITIUS WASTEWATER SECTOR POLICY SUPPORT	2011021	39,900,000	29,173,868	10,828,134																		
2003	9ACP MAS3	1	PROGRAMME WASTEWATER SECTOR POLICY SUPPORT	2007101	28,000,000	25,200,000	2,800,000	0	0	0	0	0	0	0	2,800,000	2,200,000	600,000	0	0	0	0	0	0	0	
2003	9ACP MAS3	3	INF DW WATER BV-TA FOR WSPSP	2007031	1,127,300	152,700	974,600	130,000	130,000	0	0	180,000	150,000	30,000	0	180,000	180,000	0	0	180,000	80,000	90,000			
2003	9ACP MAS3	Total	Individual Commitment		29,127,300	25,352,700	3,774,600																		
2004	9ACP MAS5	0	ECO TECHNICAL COOPERATION FACILITY (TCF)	2010101	500,000	107,482	392,518																		
2004	9ACP MAS5	8	ECO P.E. 1 (P1.03.05-31.03.07) ASSISTANCE	2007031	56,000	13,306	43,294	20,000	10,000	10,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2004	9ACP MAS5	Total	Individual Commitment		56,000	13,306	43,294																		
2005	9ACP MAS6	0	ECO CAPACITY BUILDING PROGRAMME - HSA'S FIGHT AGAINST POVERTY	2010021	13,500,000	3,811,159	9,688,841																		
2005	9ACP MAS6	2	ECO HELSINKI CONSULTING GROUP LTD-TECHNICAL ASSISTANCE	2010021	872,420	186,441	685,979	102,000	68,000	34,000	0	68,000	34,000	34,000	0	68,000	68,000	0	0	68,000	34,000	34,000			
2005	9ACP MAS6	3	ECO P.E. 1 (P1.03.05-31.03.07) ASSISTANCE	2007031	2,450,000	956,555	1,493,445	0	0	0	0	1,000,000	700,000	300,000	0	0	0	0	0	0	0	0	0	0	
2005	9ACP MAS6	4	ECO ACC. ASSESSORS DE COMMERCE - ACTION PLAN CLUSTERING SMES	2008011	194,467	116,880	77,787	77,787	77,787	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2005	9ACP MAS6	5	ECO TRANSPEC - STUDY ON INNOVATION	2008021	198,908	118,345	79,563	79,563	79,563	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2005	9ACP MAS6	6	ECO FN & SYSTEM AUDIT BOO DE CHAZAL DU MBE	2008021	10,710	0	10,710	10,710	10,710	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2005	9ACP MAS6	7	ECO ECORIS NETHERLAND BV- STUDY ON TRAINING NEEDS & HUMAN RESO	2008011	49,815	29,899	19,928	10,267	10,267	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2005	9ACP MAS6	8	ECO MOORE STEPHENS CONTROL OF PAYMENT ORDERS	2008011	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2005	9ACP MAS9	Total	Individual Commitment		3,776,320	1,008,920	2,787,400																		
2006	9ACP MAS8	0	INF MAURITIUS SUGAR SECTOR SUPPORT PROGRAMME	2010021	0	0	0																		
2006	9ACP MAS9	0	INF MAURITIUS SUGAR SECTOR SUPPORT PROGRAMME	2010021	0	0	0																		