European Union
Press release

Signature of a new service contract for 90 million Rupees to improve the business and investment climate

(Port Louis) - The Ambassador of the European Union to the Republic of Mauritius has signed a new service contract for 90 million Rupees to support Mauritius for improving the business and investment climate, which would stimulate the creation of jobs and fostering a sustainable and inclusive growth. This technical assistance service contract, which is a component of the support programme for the implementation of the Economic Partnership Agreement, is part of the European Union’s action to contribute to the economic recovery of Mauritius in the context of the COVID-19 epidemic.

The Ambassador of the European Union to the Republic of Mauritius, Vincent Degert, said:

- “A more efficient business environment, in which private enterprise thrives, is a fundamental building block for job-creation and sustainable inclusive growth. While the country has delivered on key policy commitments these past years, as demonstrated by the improvement in the ranking of Mauritius in the “Ease of Doing Business” index, pursuing and deepening economic and structural reforms remains essential to securing a more prosperous future. Hence, we are working closely with the Government of Mauritius to help deliver on the reforms necessary to enhance investment, employment creation and inclusive growth for the benefit of its people, notably its youth. This technical support aims at supporting the country’s economy in the wake of the impact of COVID-19 epidemic”.

Government policy plays a huge role in the daily operations of domestic small and medium-sized enterprises. Heavy and costly regulations can divert the energies of entrepreneurs away from developing their businesses or undertake innovation. Moreover, the COVID-19 epidemic has a significant negative impact on Mauritian businesses and on the economic situation of the country. This is why we are supporting this comprehensive economic governance reforms to encourage the development of smart, efficient, accessible, and simple regulatory framework.

This service contract of 90 million rupees consists in mobilizing international technical expertise to assist the Ministry of Finance, Economic Planning and Development and the Economic Development Board for a duration of 3 years with two main objectives:

1. To undertake an overall assessment of the business environment in terms of the openness policy, institutional set up, legal and regulatory framework, licensing system, and business-related rule making.

2. To make proposals on sectoral regulatory governance reforms and in particular on Land Use and Construction, Trade & logistics, Tourism, Healthcare and Lifesciences in consultation
with the business community. This will enable to create a business friendly macro-economic environment conducive to trade and investment that can generate jobs, and sustainable, inclusive growth.

The support programme for the implementation of the Economic Partnership Agreement (10 million euros):
The European Union has allocated €10 million to support Mauritius in the implementation of the Economic Partnership Agreement. The support programme, which was launched in 2017, will be operational until 2023. Its key objective is to improve the business and investment environment. It is in this context that the National Electronic Licensing System (NELS) has been launched to facilitate the process for application and processing of business licenses and permits. The system, which is managed by the Economic Development Board, already features the Morcellement Permit, the Building and Land Use Permit, the Occupation Permit, Environment Impact Assessment (EIA) and the Film Rebate Scheme. Since its launch, more than 22,000 requests have been successfully processed. The support programme also includes enhancing the intellectual property framework in Mauritius.

The Economic Partnership Agreement:
In August 2009, four countries of Eastern and Southern Africa signed an Economic Partnership Agreement (Madagascar, Mauritius, Seychelles and Zimbabwe) with the European Union. Comoros signed the agreement in July 2017. The Economic and Partnership Agreement is a trade and development cooperation agreement that provides duty-free quota-free access to the EU market based on favourable rules of origin for the partners countries. The EPA supports export diversification, competitiveness and promotes the creation of local value chains.

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