



**ECONOMIC  
DEVELOPMENT  
BOARD** MAURITIUS



# BUDGET NEWSLETTER

2024/2025

*Tomorrow is Ours*

# EDITORIAL



Dear valued stakeholders and investors,

The EDB is pleased to present to you its newsletter on the National Budget 2024/2025.

Budget 2024/25 builds on the foundations of our past successes while paving the way for a future filled with promise and potential. It marks a crucial step towards strengthening Mauritius' resilience and adaptability in an era of global uncertainty and change.

As highlighted by the IMF in its staff report in May 2024, curbing the fiscal deficit is important to support macroeconomic stability and contain inflationary pressures. This fiscal exercise sets the ball rolling to achieve a public sector debt of 71 percent of GDP by June 2025.

For his fifth budget, the Minister of Finance, Economic Planning and Development made a balanced approach to bolster trade and investment, sharpen the transition to a green and sustainable economic model, and lay down a resilient foundation for future growth. This triple axis underpins the projected GDP growth of 6.5% for the present calendar year and a yearly average growth of 5% in the medium term.

Dr. the Honourable Renganaden Padayachy has rolled out a set of measures to re-invigorate our strategy for trade and investment, improve business facilitation and address labour shortage issues. This will provide re-assurance to investors, local and foreign, in this highly uncertain and yet increasingly competitive global environment.

We expect the outlay of facilitation initiatives and incentives, including the array of doing business measures, to be crucial enablers in attracting and maintaining high level of investments across high-value and substantive economic activities.

At the same time, these measures will also improve confidence among local enterprises, enable mindset shifts and accelerate the adoption of sustainable and green business practices.

Moreover, as we navigate the increasingly complex and inflationary environment, the Government continues to support businesses, in particular SMEs and entrepreneurs, with a number of enhancements to the financial assistances already in place.

Initiatives are also laid out to level up our island's long-term competitiveness through investments in sustainability and AI as levers for growth and transformation.

Reforms have been proposed to develop, attract and retain talents, encourage technology and innovation, and boost the appeal of our ICT and financial sector activities in the midst of the intensifying challenge from other international financial centres.

This budget underscores a proactive stance in securing the nation's future, emphasizing the need for bold, strategic measures to propel Mauritius towards becoming a high-income economy, attaining a GDP of Rs1 trillion by 2029 and maintaining this status in the longer future.

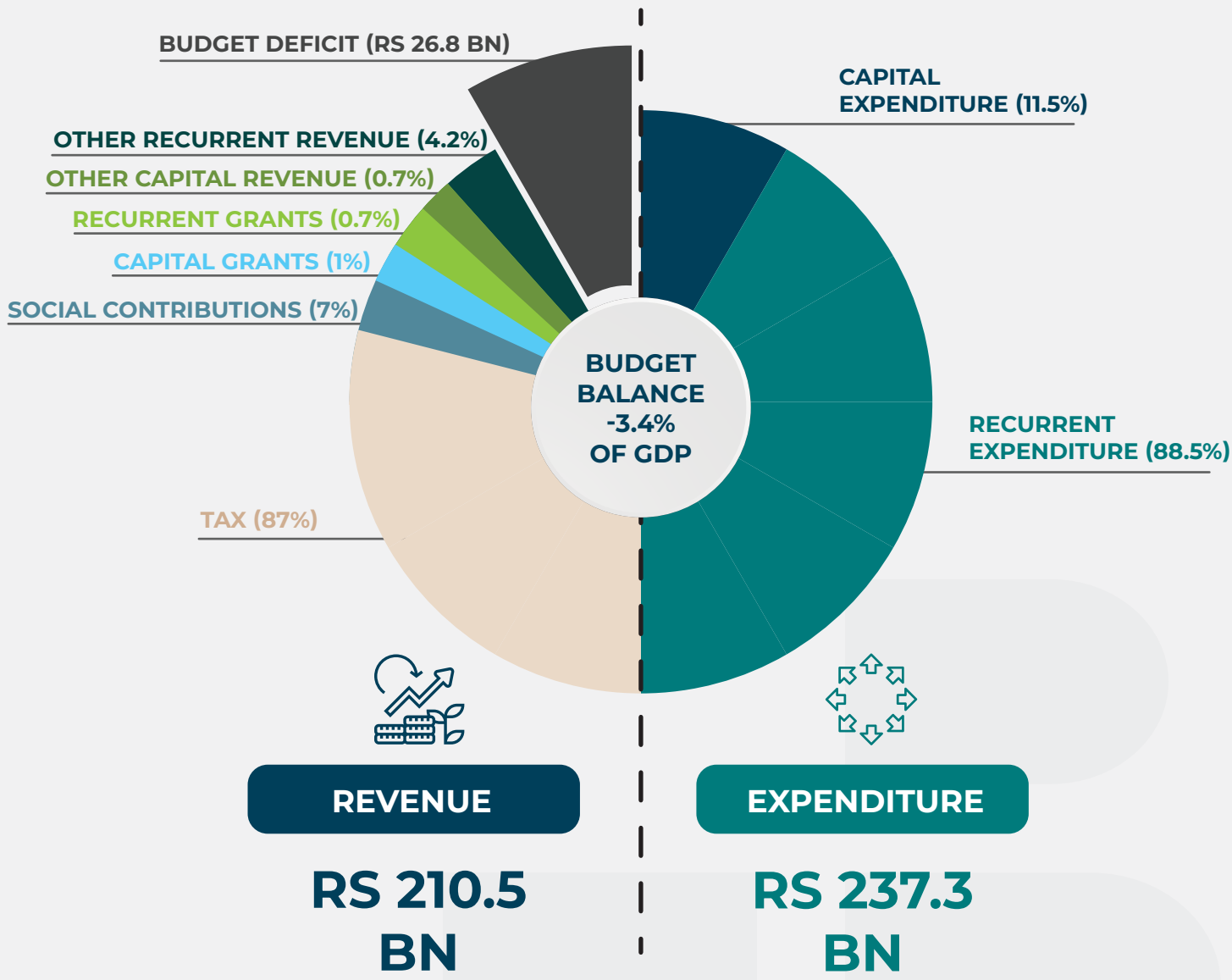
The EDB will work with all stakeholders to ensure that the initiatives with regard to trade and investment outlined in this budget are implemented effectively. We will continue to provide unwavering support to businesses, big and small, and to foster an environment where innovation thrives and opportunities abound.

In keeping with our tradition, we are providing an analysis and highlights of the budget in this newsletter.

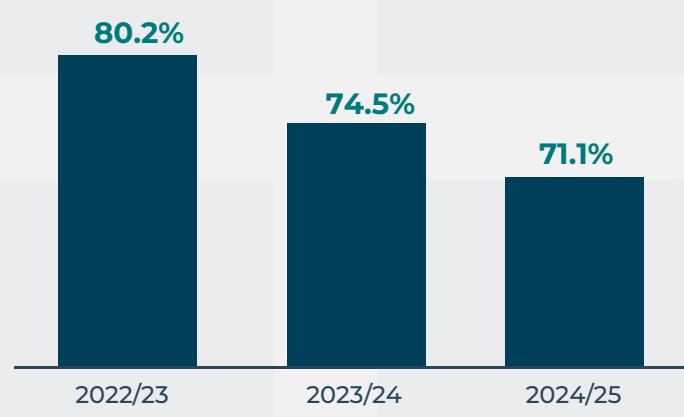
We wish you a pleasant reading.

**Ken Poonosamy**  
Chief Executive Officer, EDB

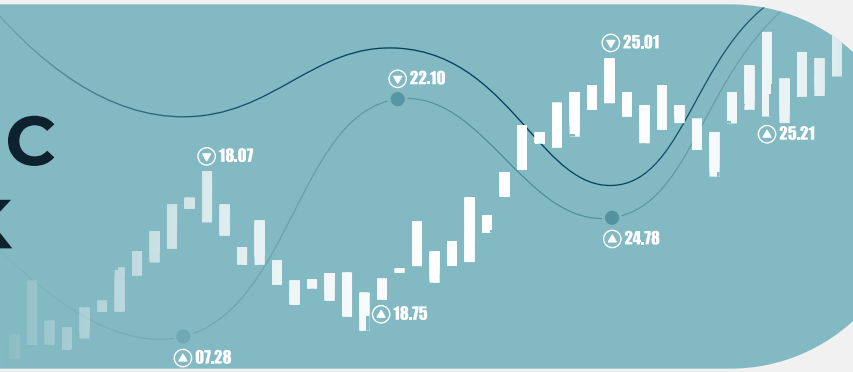
# BUDGET IN FIGURES



## PUBLIC SECTOR DEBT (AS % OF GDP)

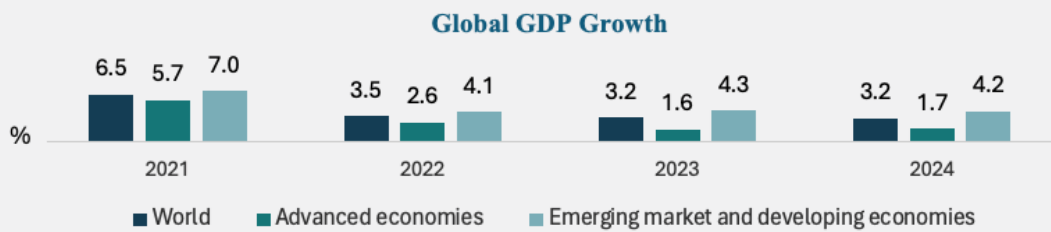


# ECONOMIC OUTLOOK



## A RESILIENT GLOBAL ECONOMY...

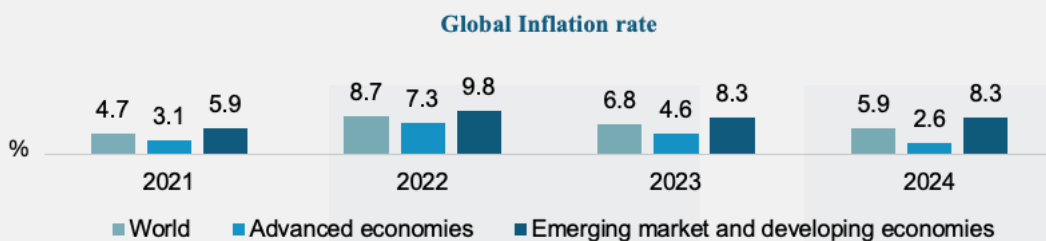
According to the IMF, the global economy grew by 3.2% in 2023 and is expected to follow the same pace for 2024. A slight acceleration is expected for advanced economies from 1.6% to 1.7% in 2024 as compared to a modest slowdown in emerging market and developing economies from 4.3% to 4.2% in 2024, respectively. Despite trade tensions between USA and China, the ongoing Russo-Ukrainian war, mounting tensions in the Middle East and restrictive monetary policies, a steady growth is expected as a result of lower inflation and positive demand and supply conditions.



Source: IMF April 2024

## INFLATION EASES AMID PERSISTENT CHALLENGES...

Tight monetary policies, weaker economic growth, fading of energy price shocks and a striking rebound in labour supply have contributed to weaker inflationary pressures in 2023 across the world, and a lower inflation is expected in 2024. According to the IMF, global headline inflation is projected to decrease from an annual average of 6.8% in 2023 to 5.9% in 2024. Advanced economies are expected to approach their inflation targets sooner than emerging and developing economies.



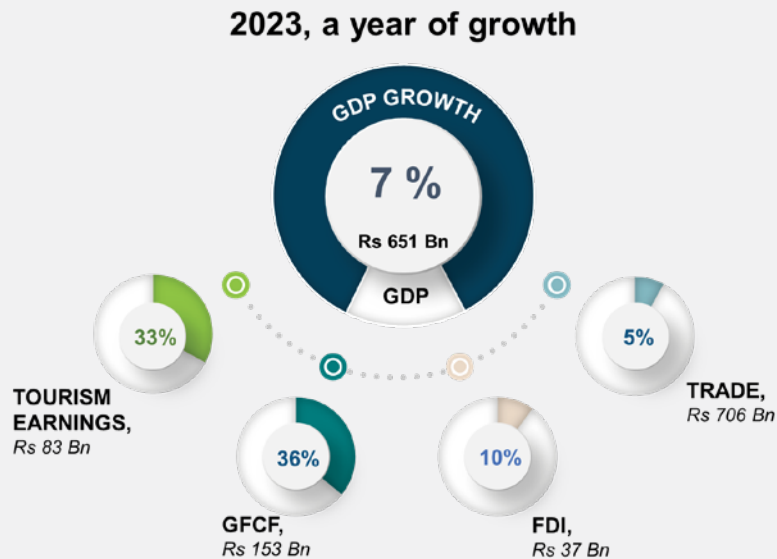
Source: IMF April 2024

## GLOBAL TRADE IS SHOWING SIGNS OF RECOVERY...

In 2023, global trade grew at a significantly lower rate of 1% after a robust 5.3% increase in 2022. This deceleration was driven by inventory adjustments and a shift in consumer spending towards less trade-intensive services, particularly in the US and Europe. Moreover, disruptions brought by attacks on ships in the Red Sea and the Gulf of Aden and droughts in the Panama Canal have disrupted trade flows, increased the journey time and have driven up shipping costs. The OECD expects global trade in goods and services to grow by 2.3% in 2024.

## THE DOMESTIC ECONOMY CONTINUES TO GROW...

The Mauritian economy continues to expand due to sound fiscal and monetary policies, a boost in the tourism industry and a rise in public sector investment in large scale infrastructure projects. GDP grew by 7% in 2023 fueled by high growth in total investment (36%), including an all-time high level of FDI. Household consumption remained strong, supported by lower inflation (7% in 2023 as compared to 10.8% in 2022).



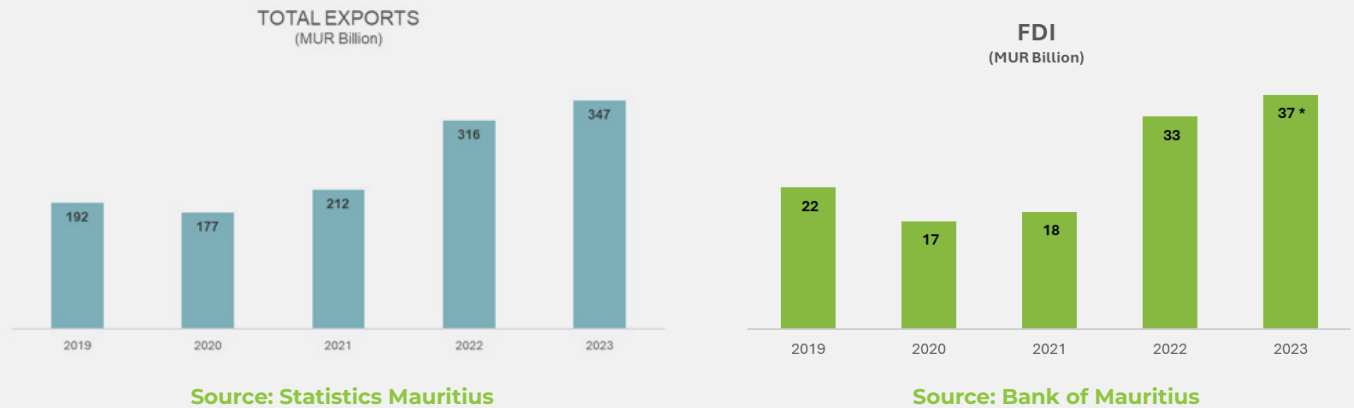
Source: Statistics Mauritius & Bank of Mauritius

The prospect for economic expansion continues to be positive with a growth rate of 6.5% for 2024 as predicted by the Ministry of Finance, Economic Planning and Development. The expansion in 2024 is fueled by a surge in construction activity due to significant social housing and public transportation projects being accelerated, higher exports and private investment. The IMF and the World Bank have estimated our GDP growth rate for 2024 to be 4.9% and 4.6%, respectively.



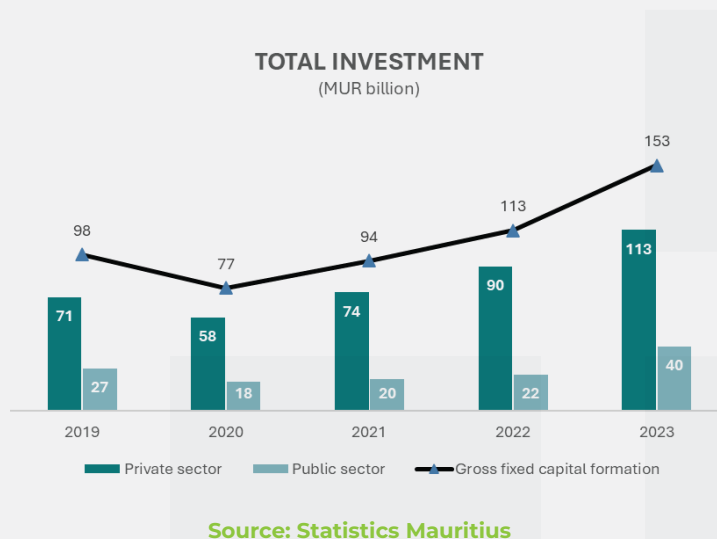
Source: MOFEPD 2024

The Government has implemented a number of reforms/strategies to restore investor's confidence for a more conducive doing business environment, secure market access to emerging markets and consolidate existing sectors while providing the right ecosystem for emerging sectors such as education, health care and energy to thrive. This is reflected in the steady growth in investment and exports over the last five years. Moreover, FDI has reached an all-time high of Rs 37 billion in 2023, which reflects EDB's aggressive marketing and promotional strategy to position Mauritius as a trusted and reliable jurisdiction as a platform of choice for cross border investment.



For the year 2023, investment reached MUR 153.3 billion marking a 35.9% nominal increase from the MUR 112.8 billion recorded in 2022. After accounting for a 3.3 % inflation rate in 2023, real investment growth is expected to reach 12.0% in 2024. This compares to a robust 30% real growth rate observed in 2023.

In 2023, exports of goods and services recorded an amount of MUR 347 billion, a rise of 9.8 % from the MUR 316 billion recorded in 2022. Exports of goods and services are forecasted to rise to MUR 363 billion in 2024, representing a 4.6% increase from the MUR 347 billion recorded in 2023. After adjusting for inflation, this translates to a 1.8% real growth rate, following a 1.1% real growth in 2023.



### AND THERE ARE SEVERAL CHALLENGES THAT THIS BUDGET ADDRESSES...

Mauritius is facing several challenges from the tough world economic environment. Restrained world growth could hamper the growth of tourist arrivals and exports, while high world food and fuel prices could contribute to higher domestic inflation. There are several domestic hurdles as well with the multidimensional labour supply issues being at the forefront.

The measures announced in the budget 2024-2025 addresses these challenges, recognizing that a thriving economy is built on the foundation of empowered labour and a supportive ecosystem for businesses to flourish with measures to further improve the ease of doing business.

# EDB ANALYSIS OF BUDGET



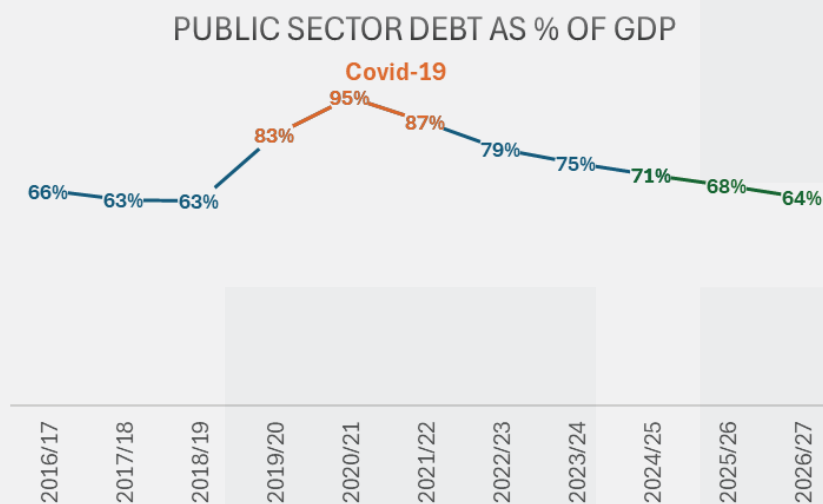
## A GROWTH-ENHANCING, FISCALLY RESPONSIBLE AND SOCIALLY INCLUSIVE BUDGET

The Budget 2024-2025 firmly establishes the motivation of the government to maintain economic recovery, build capabilities for long-term growth, protect the environment and promote inclusive growth across all segments of the population. The budget ensures that the economic benefits of the measures are spread across key sectors of the economy as well as all segments of the population including the low-income households, women, pensioners and people with disabilities.

This section offers an economic impact analysis of the key measures included in the budget. The analysis has been conducted using EDB's in-house econometric and Computable General Equilibrium (CGE) models.

## REBUILDING FISCAL BUFFERS WITH A DECLINING DEBT TO GDP RATIO

As highlighted in the recent IMF Article IV report, Mauritius needs to implement debt-friendly fiscal expansion in order to consolidate public sector debt ratio and rebuild fiscal buffers. The total debt to GDP ratio has been declining steadily since the steep surge during Covid. The budget deficit stands at 3.4%, lower than last year's level of 3.99%, and total debt is expected to fall further to 74.5% for the forthcoming financial year 2024/25. Government intends to further reduce the public sector debt ratio to 64.1% by 2026/27.



## PROTECTING THE MOST VULNERABLE OF OUR SOCIETY

A series of measures have been announced to protect the vulnerable members of the society to ensure that everyone benefits from the rapid economic growth. The 'Revenu Minimum Garanti' of Rs 20,000, the increase in pension to Rs 15,000 as at 1 January 2025 and numerous allowances for the vulnerable groups are some of the measures announced to address the impact of inflation.

These measures will add to the disposable income of households which are primarily at the bottom end of the income scale and which have a high propensity to consume. This will increase demand across all sectors leading to an increase in the output of companies and eventually total GDP.

## ADOPTING A GREEN GROWTH STRATEGY

The green growth strategy focuses on sustainable economic development and is aligned with global trends on environmentally responsible practices. Investments in renewable energy, eco-friendly infrastructure, and conservation efforts are central to this Budget.

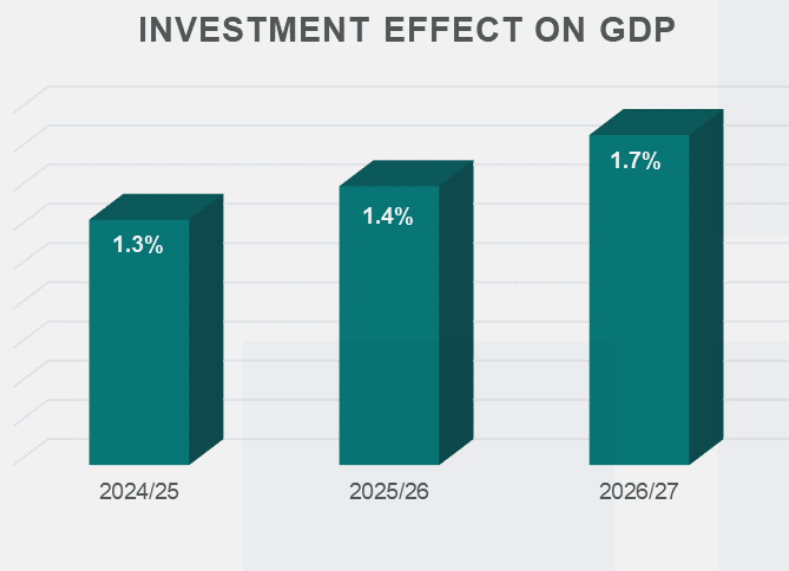
By promoting green industries such as renewable energy, agro-ecology, and eco-tourism, Mauritius aims to diversify its economy. Innovation in green technologies and practices will enhance productivity and competitiveness. The strategy anticipates job creation in green sectors. Investments in clean energy, waste management, and sustainable agriculture will generate employment opportunities and will increase our renewable energy mix to 35% by 2025 which is a significant step to achieve our 60% target.

The total investment required to achieve the target of 35% is estimated to be Rs 35 billion over the next 2 years. The additional investment will in turn increase GDP and reduce carbon emissions. Moreover, generating energy from renewable sources will help reduce imports of fossil fuels thereby improving our balance of trade and bringing a positive effect on GDP. The impact on GDP is estimated to be 3.8% per year.

## PROMOTING DOMESTIC AND FOREIGN INVESTMENT ESPECIALLY IN INNOVATIVE ACTIVITIES

The investment rate in Mauritius has been growing over the recent years. We have reached an investment rate of 23.5% in 2023 and aim to reach an investment rate of 25% in 2024. To this end, a number of measures has been announced to boost investment across all sectors. These include incentives to mobilise domestic and attract foreign investment in physical assets, research and development and innovative technologies.

Investment increases the level of capital accumulation, which has a lasting impact on the productive capacity of the economy. In addition, investment in research and innovative technology increases productivity spillovers leading to further economic growth. It is estimated that the proposed measures will increase total private investment (excluding green investment) by Rs 28 billion over the next 3 years and will contribute 1.3% to GDP in 2024/25.

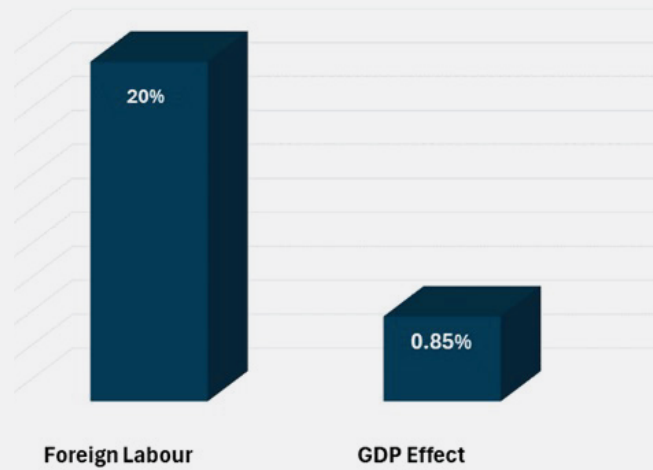


## AND ADDRESSING THE LABOUR MARKET ISSUES ACROSS ALL SECTORS OF THE ECONOMY

Several economic sectors are experiencing an acute shortage of labour. This budget contains important measures to address this issue including the reduction of the thresholds for Occupation Permits from Rs 30,000 to Rs 22,500, introduction of an Expert Occupation Permit, exemption to non-citizens holding a Retired Residence Permit from applying for an occupation permit and removal of foreign labour quotas in high growth sectors. We are expecting a year-on-year increase of up to 20% in the number of foreign workers.

In addition, the increased flexibility to allow women and people with disabilities to work part-time will have a significant impact on the labour output. The additional workforce will unlock the productive capacity of economic operators leading to an increase of 0.85% in GDP in the next financial year.





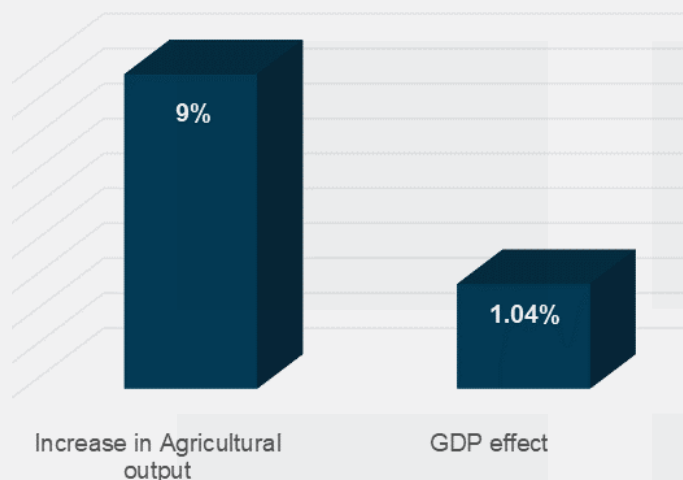
## ENSURING FOOD SECURITY

The budget measures encompass a comprehensive strategy to bolster food security in Mauritius by addressing various challenges faced by the agricultural sector. By empowering farmers and agripreneurs through enhanced productivity, the measures aim at reducing the heavy reliance on imports and mitigate factors such as scarcity of labour, high production costs, and climate change impacts.

Initiatives like increasing storage capacity and supporting farmers with electric fencing installations to combat theft, thereby minimising post-harvest losses, and ensuring a more secure food supply chain. Moreover, enhancing the capacity for soil health assessments and promoting eco-friendly farming practices through subsidies further contribute to sustainable agriculture, enhancing long-term food security prospects for the nation.

The promotion of controlled environment agriculture and the optimisation of water resources envision innovative approaches to enhance agricultural efficiency and resilience. Vertical farming initiatives, supported by public-private partnerships, offer solutions to mitigate land constraints, thereby increasing local food production capacity. In addition, these measures will increase the output and employment in the agricultural sector whilst at the same time reducing imports of agricultural products. These initiatives collectively reinforce Mauritius' commitment to ensuring a stable and resilient food supply chain, thereby safeguarding food security for its citizens. We are expecting that these measures would boost the output of the agricultural sector by around 9% leading to a total GDP effect of 1.04% over the next financial year.

### Food Security





# SECTORAL MEASURES



# AGRO-INDUSTRY



4.4%

Contribution to GDP  
(2023)

Rs 2339 Million

GFCF (investment)  
(2023)

30900

Employment  
(2022)

33993

Exports

Rs 6.1 Billion

FDI

## BUDGET MEASURES

### CANE INDUSTRY

The grant under the Cane Replantation Scheme will be increased from Rs 50,000 to Rs 60,000 per arpent to restore abandoned cane lands.

The “Cane Revolving Fund Scheme” by the DBM to provide loans at an annual preferential rate of 2.5 % will be extended.

For planters producing up to 60 tons of sugar:

- A 50% subsidy is available for the purchase of fertilizers
- Payment of the premium to the Sugar Insurance Fund Board
- Financial assistance of Rs 150,000 is provided for the purchase of a drip irrigation system
- CESS in respect of the crop for 2024 is waived

There will be a minimum guaranteed price of Rs 30,000 per tonne for planters for crop 2024.

A subsidy of 50% on green certification of sugar production will be provided.

The Mauritius Cane Industry Authority Act will be amended to regulate transportation charges for small planters.

### TEA SECTOR

The winter allowance for tea growers will be increased from Rs 2.50 per kg to Rs 4.50 per kg.

Tea growers with 1 arpent of land will be eligible for duty-free double cab purchases.

Allocation of Rs 6 million for the Road Mending Scheme for tea cooperatives.

The National Agricultural Products Regulatory Office Act will be amended to waive export license requirement for tea below 2 kg.

### MODERNISATION, MECHANISATION AND SUSTAINABILITY

The Industrial Finance Corporation of Mauritius Ltd (IFCM) will offer a grant of Rs 1 million for planters purchasing fully equipped container farming facilities.

A cold storage facility for Rs 50 million will be set up at the National Wholesale Market to improve the shelf life of fruits and vegetables.

Grant of 50%, up to a maximum of Rs 500,000 for the construction of up to two sheltered farms, including plastic net replacement.

Rs 10 million for rehabilitation of roads, drainage systems and sheltered farms at the Britannia Organic Zone.

Grant of Rs 250,000 for the purchase of equipment by small planters.

Grant of Rs 300,000 for cooperatives for acquisition of equipment to boost local production.

Grant of up to Rs 300,000 for purchase of fencing and security equipment (for breeders & planters).

## BUDGET MEASURES

### CROP SECTOR

75% subsidy on seeds for potatoes, onions, carrots, beans, garlic and tomatoes.

50% subsidy for purchase of fertilisers.

An annual grant of Rs 6,000 per arpent for the first crop cycle and Rs 3,000 for the second is being provided to farmers impacted by adverse weather.

The following products will be zero-rated for VAT:

- Seeds for vegetables, fruits, and flowers, along with bulbs and plants for sowing or planting;
- Seedling trays;
- Plant pots;
- Agricultural sprayers;
- Roasted coffee

### LIVESTOCK SECTOR

Financial assistance of Rs 200,000 for construction and upgrading of sheds and purchase of goats and sheep, pigs, and cows.

Grant of Rs 10 000 payable to calf breeders.

Increase in the subsidy on the cost of private veterinary services to Rs 1,500.

Increase in the subsidy on animal feed by 33% from Rs 15 to Rs 20 per kilogram.

Increase in the grant of heifers from Rs 5,000 to Rs 7,500.

Increase in the grant under the Pasture Development Scheme to Rs 25,000 per arpent.

Rs 225,000 provided for the import of cows, goats, pigs and sheep.

Grant of Rs 10,000 for the purchase of calves' breeders.

Acquisition of a mobile veterinary clinic to expedite livestock services for farmers.

### APICULTURE

One-off grant under the Bee Keeping Scheme from Rs 150,000 to Rs 200,000 for fencing purposes.

Subsidy of 50 % up to a maximum of Rs 30,000 on the acquisition of Solar powered CCTV.

Subsidy of Rs 500 per queen bee to beekeepers up to a maximum of 10 queens.

The Shooting and Fishing Leases Act will be amended to include beekeeping in chassée leases.

### MANPOWER

The Agricultural Workers (Job Contractors') Regulations will be amended for flexible recruitment in agriculture.

### FINANCIAL SUPPORT

DBM Ltd will write-off long outstanding loans of more than 20 years up to June 2025 and loans of deceased breeders, farmers and planters.

# FINANCIAL SERVICES SECTOR



**14%**

Contribution to GDP  
(2023)

**+15,000**

Employment  
(2023)

**USD 329 Billion**

Flow of funds through MIFC  
(2023)

**12,908**

No. of Global Business companies  
(2023)

**4.3%**

Sectoral Growth

## BUDGET MEASURES

### ENHANCING THE FINANCIAL SERVICES ECOSYSTEM

Streamlining of licenses and permits issued by the FSC and ensuring their issuances are granted within 10 working days, subject to all requirements being met.

Introduction of a 10-year expert Occupation Permit to attract foreign talents in wealth management, family office, virtual assets and virtual tokens.

Extension of the centralised e-KYC to the global business sector.

Reviewing of the Fund and Asset Manager Certificate to include at least 2 qualified officers.

Establishment of a new framework for the secondary trading of government bonds on the Stock Exchange of Mauritius.

Modernisation of the framework for alternative dispute resolution.

Allow a company to operate both under a Global Business Licence and a Freeport certificate.

### IMPROVING THE COMPETITIVENESS OF THE MAURITIUS IFC

Payment Intermediary Services (PIS) Licence Holders shall now benefit from the Partial Exemption Regime.

Entitlement of 80% partial exemption on such income derived by a company holding a Robotic and Artificial Intelligence Enabled Advisory Services licence issued by the FSC, provided it conforms with the substance requirements.

Extension of the 80% partial exemption to a licensed closed-end fund to cover income from sale of money market instruments or debt instruments.

Clarification on the 80% partial exemption granted to a licensed CIS Administrator on the provision of administrative services by a management company to a CIS licence holder.

### RE-ENGINEERING THE MAURITIUS IFC

Reviewing of the Blueprint on financial services sector.

Initiating a new blueprint for the development of Mauritius as a Fintech Hub in the region with the assistance of the United Nations Economic Commission for Africa.

Reviewing of the Funds Regime to enhance the attractiveness of Mauritius.

Envisaging a Strategic Partnership Agreement (SPA) with India and African countries.

Collaborating with Indian authorities for further development of the financial services sector.

Removal by the Bank of Mauritius on the fees associated with the use of the MAUCAS platform to encourage the adoption of digital payments in Mauritius.

# RENEWABLE ENERGY



1.4%

Contribution to GDP  
(2023)

Rs 6,266 Million

GFCF (investment)  
(2023)

2,400

Employment  
(2022)

Rs 118 Million

FDI

Rs 30 Billion

Investment pipeline

## BUDGET MEASURES

### ENHANCING RENEWABLE ENERGY GENERATION

A Government Support Agreement will be established to unlock over Rs 15 billion of private sector investment in renewable energy projects in the upcoming 2 years.

Heavy fuel oil will be replaced by biofuel in CEB's electricity production in both Mauritius and Rodrigues.

The permitting processes and procedures will be streamlined to fast-track implementation of renewable energy projects.

Solar PV panels will be set up on rooftops of public buildings for a total capacity of 5 MW.

A roadmap to decarbonize the electricity grid of Rodrigues will be introduced.

### DEMOCRATISATION OF THE ELECTRICITY SECTOR

An Agri-voltaic scheme with a premium purchase price of electricity at MUR 5 per kWh targeting planters, farmers, and breeders will be introduced.

A community based solar PV Scheme targeting households in vulnerable localities to provide them with a free monthly 50 kWh of electricity will be introduced.

3,500 solar PV kits on rooftops of households, NGOs, religious bodies, and charitable institutions will be installed.

The Solar PV Scheme for religious bodies will be amended to accommodate for the installation of a maximum of 10 panels.

The current net billing system will be revamped, allowing households to be equipped with battery technology and selling excess electricity production to the grid.

The maximum solar system capacity for households under the home photovoltaic scheme will be increased from a 5 Kw to 15 Kw.

The concessional loan from Development Bank of Mauritius for the purchase of solar kits and batteries by households will be increased to MUR 350,000.

### GREENING UP OF END-USER'S OPERATION

The negative Excise Duty of MUR 200,000 for the purchase of electric vehicles will be extended to June 2025.

Pre-paid public charging stations will be installed by the CEB.

An ICT Sector Carbon Neutral Scheme to allow purchase of excess electricity produced at Rs 4.20 per kWh will be introduced.

The Carbon Neutral Loan Scheme for industrial sector will include the cost of batteries.

## BUDGET MEASURES

### ENHANCING THE ELECTRICAL GRID:

An additional 20-Megawatt Battery Energy Storage System will be set up in L'Avenir.

150,000 smart meters will be installed by the Central Electricity Board (CEB) over the next 2 years.

The installation of domestic battery energy storage system will be regulated to avoid safety hazards during maintenance works.

### CONSOLIDATING ENERGY EFFICIENCY GAINS

Minimum energy performance standards will be introduced for electric pumps.

An Energy Efficiency Loan Scheme will be introduced for the implementation of energy-saving measures.

Guidelines for Energy Efficiency and Energy Conservation will be developed targeting the Industrial and Commercial sectors.

A regulatory framework for Energy Performance Contracting will be developed.



# ENVIRONMENT & CLIMATE CHANGE



## BUDGET MEASURES

### ADHERING TO OUR NATIONALLY DETERMINED CONTRIBUTION:

Introduction of a Corporate Climate Responsibility levy of 2 % of the company's profits for companies having a turnover exceeding MUR 50 million to support natural ecosystem and climate change initiatives.

MUR 3.2 billion earmarked under the Climate and Sustainability Fund for projects addressing climate change.

### ADDRESSING BEACH EROSION AND RESTORATION OF MARINE ECOSYSTEM:

Restoration of over 26 km of shoreline and rehabilitation of 30 degraded sites island wide.

Ecosystem-based adaptation remedial works on some 5 kilometres of shoreline.

Launching a lagoon reseeded programme to rebuild our marine eco-system.

Implementation of a national coral reef restoration and replantation programme including the:

- Establishment of 250 coral farms in five sites
- Introduction of sustainable coral farming techniques to grow and transplant some 25,000 corals to degraded reef areas annually, over a period of 3 years

- Installation of underwater cameras at coral farm sites to provide live video feeds.

### ENVIRONMENTAL RESTORATION:

Increasing tree coverage by 100 hectares annually over the next decade by:

- Requiring that large scale real estate projects (morcellement and smart cities) to include a mandatory allocation of land for reforestation
- Restoring eco-sensitive zones having incomparable values attached to its landscape, wildlife, and biodiversity
- Planting trees along riverbanks, mountains and in sites identified by village and municipal councils
- Rehabilitating and preserving endemic plants at the SSR Botanical Garden
- Distributing trees to students in primary schools

Introducing the concept of sustainable villages by promoting eco-friendly infrastructure, environmental conservation, and community resilience in coastal and touristic regions.

Implementing a holistic and integrated environmental monitoring programme of the ecological flora and fauna of the South-East region of Mauritius.

Cleaning of classified and common roads, over 500 public sites, 100 beaches and 500 KM of drains and waters courses.



## BUDGET MEASURES

Monitoring of the pesticides currently in use and present in our aquifer and water table by the National Environmental Laboratory.

Real-time online monitoring of Surface and Ground Water Quality.

### CIRCULAR ECONOMY:

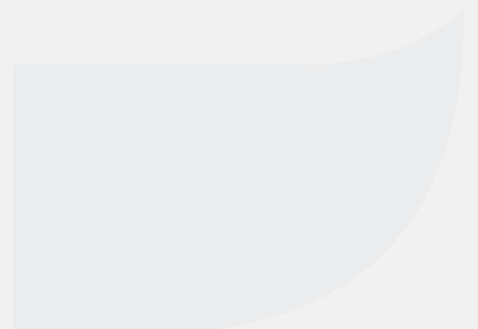
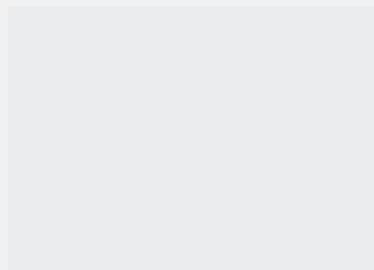
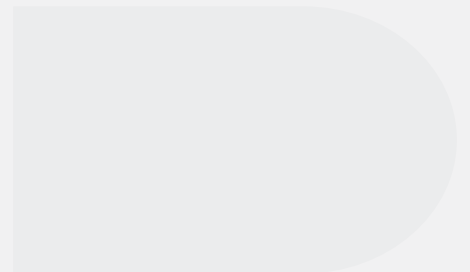
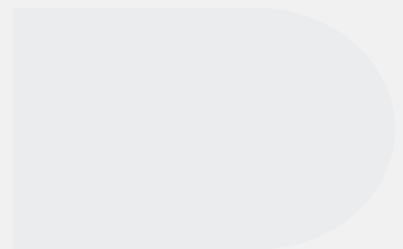
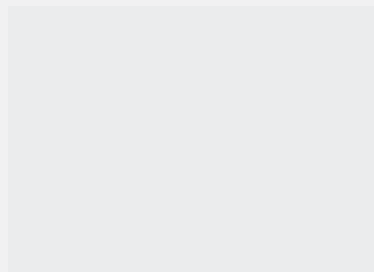
Encouraging recycling and re-use of products by:

- Removing the levy on PET bottles for fully biodegradable plastic bottles
- Implementing extended producer responsibility for electronic and electrical wastes
- Introducing of waste segregation at source through distribution of bins at household level
- Enabling the import of used tyres solely for the purpose of re-treading for exports

Incorporating Circular Economy Principles in Public Financial Management Instructions.

Developing two Regional Integrated Waste Processing Facilities on a PPP basis to convert waste into compost and new materials.

Cleaning of beaches through collection of algae and seaweeds for valorisation into products such as fertilisers.



# MANUFACTURING & EXPORTS



**12.9%**

Contribution to GDP  
(2023)

**Rs 6,154 Million**

Total investment  
(2023)

**62,000**

Employment  
(2023)

**Rs 104 Billion**

Total Exports  
(2023)

## BUDGET MEASURES

### ENSURE SMOOTH RUNNING OF PRODUCTION IN ENTERPRISES

Quotas on foreign labour are being removed in the manufacturing, jewellery and freeport sectors.

A maximum time frame of 3-weeks is being established for work permit delivery and renewal.

Work permits in the manufacturing sector will be extended for a maximum renewal period of 10 years.

A wage bill support program is being introduced for the textile industry, encompassing compensation for the minimum wage increase and the 2024 salary compensation.

The DBM Wage Support Scheme is being extended for an additional 7 years up to 2031.

A monthly financial assistance is being provided for the payment of the National Minimum Wage and salary compensation 2024, payable for the period from January 2024 to December 2024 to EOE, SMEs and manufacturing enterprises.

### SUSTAIN THE COMPETITIVITY OF SMES

A 3-year "Industrie du Futur" program will be launched to support the digitalization of 100 SMEs.

A salary compensation program for SMEs will be implemented to provide up to Rs 2,000 per employee until December 2024.

A 10% rebate on DBM rental for SMEs is being introduced in productive sectors, valid for two years.

Debt forgiveness initiative for long-outstanding loans (over 20 years as of June 2025) and loans from deceased micro-entrepreneurs at DBM.

The maximum yearly refund for Participation in International Fairs SME Refund Scheme will be increased to Rs 500,000.

A 3-year financial support program will be introduced for barcoding implementation by SMEs.

### SUPPORTING COOPERATIVES TO GROW AND PROSPER

Cooperatives are being empowered as follows:

- Providing a 50% cost subsidy for digitalization, capped at Rs 100,000
- Extending access to DBM and IFCM schemes for cooperatives
- Enabling cooperatives to earn interest on accounts held in public banks

A 3-year financial support program is being introduced for barcoding implementation by cooperatives, and small farmers.

## BUDGET MEASURES

### PROMOTING LOCAL LABELS FOR LOCAL MARKET

Facilitate the establishment of a distribution network for Made in Moris products, including ten retail outlets and mini stores throughout the island.

Public organisations will report in relation to contracts awarded to local companies, including those labelled Made in Moris.

### CONSOLIDATING PUBLIC PRIVATE PARTNERSHIP TO GROW EXPORTS

An Export Manufacturing Regulations will be introduced under the Economic Development Board Act to:

- create an Export Promotion Fund with an initial seed capital of Rs 50 million;
- form a public-private sector Export Development Council tasked with strategizing export growth, including product and market identification; and
- define an export manufacturing enterprise as having a minimum of 30 percent of export turnover

Economic Development Board will provide support for conferences and workshops attracting more than twelve countries to increase visibility in Africa.

### SCHEMES TO SUPPORT EXPORTS.

The following schemes are being renewed until June 2025:

- Freight Rebate Scheme
- Trade Promotion and Marketing Scheme
- Export Credit Guarantee Scheme

The Trade Promotion and Marketing Scheme will be extended to New Zealand.

First time exporters with a turnover of less than Rs 20 million will benefit from an increased refund of 40 percent for a period of one year under the Freight Rebate Scheme.

### ENCOURAGING MANUFACTURING COMPANIES TO GO GREEN

Recycling will be classified as a manufacturing activity, allowing companies to benefit from relevant incentives.

The Carbon Neutral Loan Scheme will be enhanced to encompass the cost of batteries, accelerating industrial sector decarbonization.

An extended producer responsibility for electronic and electrical waste will be implemented.

Imports of used tyres will be authorised solely for export re-treading.

Two Regional Integrated Waste Processing Facilities will be developed through Public-Private Partnerships (PPP) to convert waste into compost and new materials.

### EXPORTS TO AFRICA

The Africa Warehousing Scheme, which is currently being implemented in Tanzania, is being extended to Kenya and will run until 30 June 2027.

### PORT DEVELOPMENT AND EFFICIENCY

56 hectares of reclaimed land at Fort William will be developed to provide additional space to potential operators.

Yard management will be enhanced to minimise dwell time and create space capacity.

Enhancing pilotage services and berthing manoeuvres and optimising ship scheduling and coordination with vessel operators to improve Vessel Turn Time.

The current Quay Fees by the Mauritius Ports Authority and the Stevedoring and Shore charges for all laden import containers by the Cargo Handling Corporation Ltd will be maintained up to 30 June 2025.

# FREEPORT AND LOGISTICS



**0.5%**

Contribution to GDP  
(2023)

**Rs 1149 Million**

Total investment  
(2023)

**4830**

Employment  
(2022)

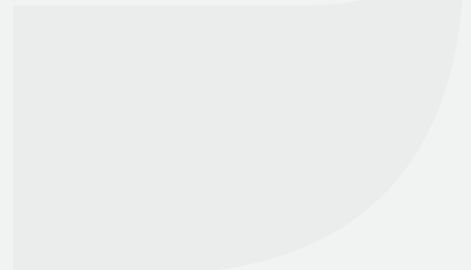
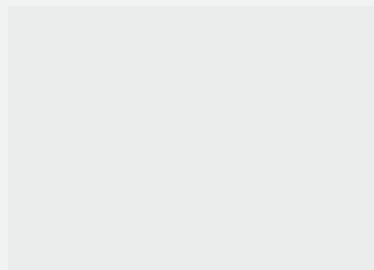
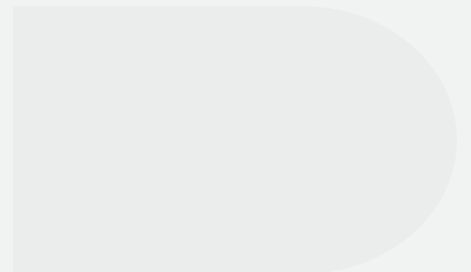
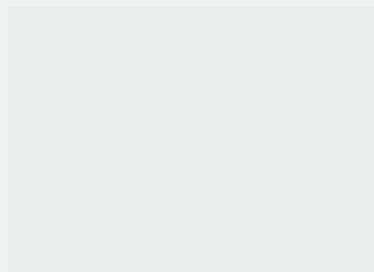
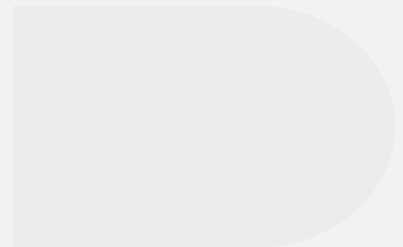
## BUDGET MEASURES

A company will be allowed to operate under both a Global Business licence and a Freeport certificate but will not be entitled to the tax holiday granted to qualifying Freeport operators.

The maximum period during which goods may be warehoused in a freeport zone will be extended by 3 years.

Fulfillment Centre will be allowed as a Freeport activity, provided that it does not include any –

- manufacturing activity; or
- activity which does not involve physical movement of goods in the Freeport.



# BLUE ECONOMY



**USD 848 Million**

Export & Re-Export  
(2023)

**+10,000**

Employment  
(2022)

**509,837 Tonnes**

Volume of bunker  
(2023)

**3.5%**

Increase in volume of bunker  
(2022-2023)

## BUDGET MEASURES

### BOOSTING THE BLUE ECONOMY

Provision of a grant of Rs 300 000 for the purchase of 'canotte'

Provision of a grant of Rs 1 million for the purchase of semi-industrial fishing boats

The grant for purchase of hooks and fishing materials will be increased from Rs 2,500 to Rs 3,500

The grant for the purchase of materials to construct fish trap will be increased from Rs 5,000 to Rs 7,500

A grant of Rs 6 million to cooperatives for the purchase of semi-industrial fishing boats

Rs 10 million will be allocated for the placement of marker buoys.

Installation of a second layer of Fish Aggregating Devices will be installed across the island for the protection of fishers

A one-off grant of Rs 50,000 will be available to registered fishers for renewal of outboard motors

Compensation for net fishers returning their fishing licenses will be increased from Rs 100,000 to Rs 125,000

Compensation for cooperatives returning their fishing licenses will be increased from Rs 200,000 to Rs 250,000

Duty-free facilities will be available to registered artisanal fishers for the acquisition of a 4 by 4 vehicle.

Setting-up of modern fish markets in the region of Mahébourg, Grand Baie, Baie du Cap and Trou d'eau Douce.

Mauritius fishing vessels will be allowed to use large scale driftnets or demersal trawl nets in compliance with conservation and management measures.

### EASING THE FINANCIAL STRAIN EXPERIENCED BY FISHERMEN AND THEIR FAMILIES

A one-off grant of Rs 50,000 will be available to registered fishers for renewal of outboard motors.

The lump sum to artisanal fishermen aged 65 years and above will be increased from Rs 100,000 to Rs 125,000 upon return of their licenses.

The daily Bad Weather Allowance for fishers will be increased from Rs 650 to Rs 800.

Rs 200 000 will be available to the heirs of fishers in the case of sudden death.

An increase in the death grant to families of fishers lost at sea from Rs 200 000 to Rs 300 000.

The Amnesty Scheme by DBM Ltd will be extended for the write-off of long outstanding loans of more than 20 years as at June 2025 and loans of deceased fishermen.

Setting up of Fisheries post at Saint Brandon for monitoring of bank fishers.

### DEVELOPMENT OF CORAL & OYSTER FARMING

An expression of Interest will be launched by the EDB for private operators to undertake coral farming projects.

Individuals/ companies will be encouraged to set-up oyster farms across the island.

# HEALTHCARE & BIOTECH



**4.6%**

Contribution to GDP  
(2023)

**Rs 6.9 Billion**

Total investment  
(2023)

**17,165**

Employment  
(2022)

**Rs 311 Million**

FDI

**3%**

Sectoral Growth

## BUDGET MEASURES

Applications for Clinical Trials will be submitted through the National E-Licensing system.

A Mauritius Biopharmaceutical Regulatory Authority will be set up, to strengthen innovation and growth in the sector.

An Assisted Reproductive Technology Act will be introduced to regulate and supervise reproductive technology clinics and assisted technology banks.

The Allied Health Professionals Council Act will be amended to provide an additional period of 3 years for a person to practise as an allied health professional and upgrade his qualifications to meet the requirements set out in the Allied Health Professionals Council Act.

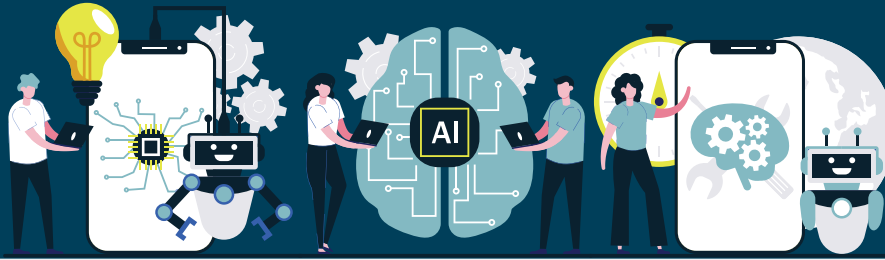
The Ayurvedic and Other Traditional Medicines Act will be amended to facilitate the registration of specialists in the field of Ayurvedic and Other Traditional Medicines.

The Private Health Institutions Act will be amended to cater for scientific research and development laboratories; and allow for the conduct of activities related to scientific research and development.

In order to comply with international norms income derived from intellectual property assets by a manufacturing company engaged in medical, biotechnology or pharmaceutical sector will be taxed at the rate of 15% instead of 3%.

The Veterinary Council Act will be amended to allow registration of qualified veterinarians and allow for the temporary registration of a non-citizen as veterinary surgeon where he undertakes to work in a company or any other body in the field of veterinary medicine and surgery.

# ICT



**5.6%**

Contribution to GDP  
(2023)

**Rs 7,608 Million**

Total investment  
(2023)

**33,500**

Employment  
(2022)

**Rs 924 Million**

FDI  
(2023)

**Rs 7,694 Million**

Export of services

## BUDGET MEASURES

### PROMOTING INDUSTRY DEVELOPMENT:

Introduction of a Virtual Platform for ICT firms to showcase their services.

Introduction of a 'Small Business Digital Champion Scheme' whereby small business can benefit from refund of 25% on investment in new technologies and equipment up to a maximum of MUR 500,000.

Increase in the margin of preference of 50 percent for local ICT companies.

Increase in the international fairs SME Refund scheme from MUR 250,000 to a maximum of MUR 500,000.

### ENCOURAGING DIGITAL REVOLUTION

A 5-year blueprint for the Digital Industry will be devised.

Introduction of a scheme for cooperatives to benefit from 50 percent of the digitalisation cost up to a maximum of Rs 100,000.

Extension of the investment tax credit of 15 percent over 3 years in the Manufacturing sector to also include AI and patents.

### POSITIONING MAURITIUS AS AN AI HUB

Training in Artificial Intelligence will be eligible for a 90% refund.

Launch of a national 'A.I-for-ALL' campaign throughout the island to encourage the use of AI tools in schools, universities, businesses and for the public at large.

### PROMOTING SUSTAINABILITY

CEB will launch an ICT Sector Carbon Neutral Scheme with excess electricity exported at Rs 4.20 per kWh.

# REAL ESTATE & CONSTRUCTION



## BUDGET MEASURES

EDB shall fast track and facilitate private sector investment projects for a total investment value of MUR 300 Billion;

The Building and Land Use Permits (BLUP) fees will be harmonised across all local authorities;

The validity period of a BLUP to allow the start of construction will be extended from 2 years to **3 years**;

Any morcellement project planned **over land of more than 5 arpents** (not yet issued with a letter of intent), any projects developed under the Smart City Scheme and the Property Development Scheme (PDS) will be required to allocate at least 4 percent of the total land area for the setting of a green forest. The forest will have to, predominantly, feature endemic trees and be designed to provide a garden setting and landscape that complements the development;

A new morcellement project will need to have a minimum setback of 30 metres from existing settlement boundaries;

A project developed on land area above 10 arpents being either a morcellement or under the PDS as well as a smart city project will henceforth require a Strategic Environmental Assessment;

The contribution payable by a smart city company per residential property or per plot of serviced land will be increased from Rs 25,000 to Rs 100,000.

A property acquired under the 'vente en l'état futur d'achèvement' (VEFA) under the Home Ownership Scheme will continue to benefit from the 5 percent (provided that the refund does not exceed MUR 500,000) refund in respect of the amount paid by the purchaser under the VEFA agreement up to **30 June 2025**. Where a presale agreement has been signed in respect of a property, the buyer will also qualify under the Scheme provided that the deed of transfer is signed and registered not later than 30 June 2025.

The Home Loan Payment Scheme will be extended up to 30 June 2025 and provides for a refund of 5% of the amount borrowed under a secured housing loan up to a maximum of Rs 500,000.

Registration duty will be levied on the difference between the value of shares of the property transferred and the value of shares held in that company when an immovable property is brought as equity participation in a company.

An effective change in ownership of a company will be deemed to have occurred where there is a change of more than 10% in its shareholding.

A foreign entity will be allowed to hold an immovable property by virtue of a non-renewable lease agreement for industrial or commercial purposes for a term not exceeding 30 years;



## BUDGET MEASURES

The services provided by a Management Company to:

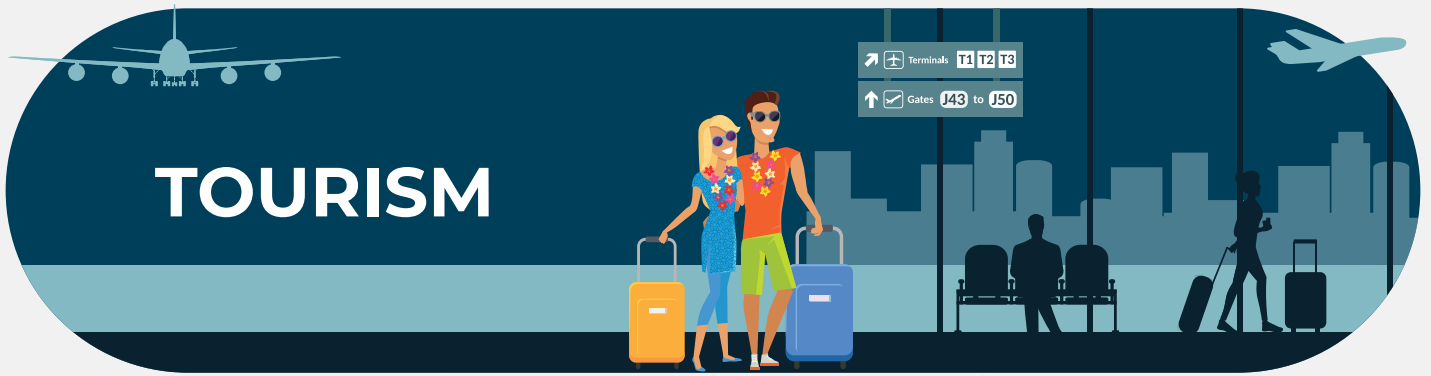
(i) trusts whose settlor and beneficiaries are non-residents or

(ii) foundations whose founder and beneficiaries are non-residents will be made zero-rated for VAT purposes.

The Construction Industry Authority will publish a National Schedule of Rates and Analysis of Rates which will be updated periodically to reflect market conditions; and

Local contractors and consultants specialized in different fields will be allowed to enter into joint ventures and team up with a view to reinforce their resources and increase the participation in bidding exercises, especially in building projects where multidisciplinary services are required, thus enhancing competitiveness in the construction industry.





**7.2%**

Contribution to GDP  
(2023)

**45,900**

Employment  
(2023)

**Rs 2.9 Billion**

FDI  
(2023)

**1.29 Million**

Tourists Arrivals  
(2023)

**Rs 85 Billion**

Tourism Earnings

## BUDGET MEASURES

A Tourism Development Bill will be introduced to provide a new legal framework for tourism development to foster sustainable tourism with the objective to make Mauritius a Green-Certified Destination by 2030.

The licensing framework for tourism related activities will be streamlined.

With a view to enhancing travelers' experience, Government will fast track the implementation of the e-Gate and the e-Passport at the airport.

Over the next 5 years, 26 Km of shoreline will be restored, and 30 degraded sites will be rehabilitated.

The scheme for hotel reconstruction and renovation will be extended to June 2025 whereby a hotel on State land that closes temporarily to undergo renovation or reconstruction is granted a reduction of 50% in its rent payable during the period of renovation or reconstruction. For financial year 2023-2024, if an eligible hotel has already paid the annual rental, the reduction of 50% will be granted in respect of rental payable in the next financial year.

The sale of minted gold coins and bars to tourists and travelling passengers will be allowed and point of sales will be provided at airport and port duty free shops.

To facilitate the utilisation of pleasure crafts by tourists and the public, jetties will be constructed at Trou d'Eau Douce and Black River.

The promotion and destination marketing budget of the MTPA will be increased by 20% to reach Rs 600 million.

The grant provided to SMEs for projects undertaken by small hotels associations will be increased to Rs 800,000.

The amount under the Participation in International Fairs SME Refund Scheme will be increased to Rs 275,000.

Development of a National Strategy Adventure Tourism to position Mauritius as an attractive sports and adventure tourism destination.

Hosting of the Asia Pacific Choir Games in September 2025.

# EDUCATION



**4.3%**

Contribution to GDP  
(2023)

**Rs 3.1 Billion**

Total investment  
(2023)

**29,400**

Employment  
(2022)

**4500**

Number of foreign students  
(May 2024)

## BUDGET MEASURES

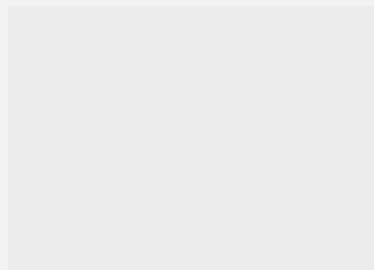
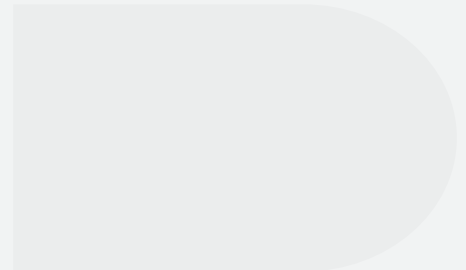
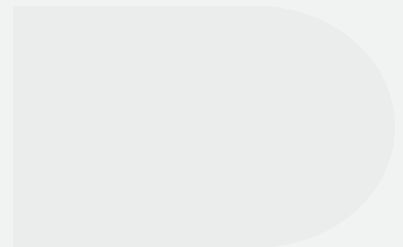
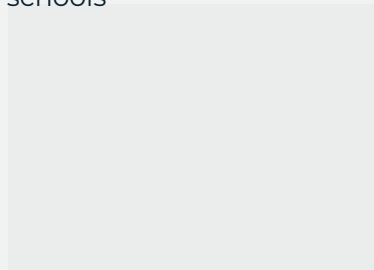
A High Skills Apprenticeship Scheme for undergraduates is being setup.

VAT exemption on the construction of a purpose-built building for the provision of pre-primary and Technical and Vocational Education and Training is being extended with retrospective effect.

Pre-primary school projects will now be eligible for Investment Certificate issued by the EDB in addition to primary, secondary and tertiary schools.

Training courses involving AI will be eligible to an increased refund of 90 percent.

Development of an Ed Tech Strategy to increase the use of technology in schools and improve learning outcomes.



# CREATIVE INDUSTRY



**2.7%**

Contribution to GDP  
(2023)

**+ Rs 5 Billion**

Qualifying production  
expenditure

**147**

Films produced  
in Mauritius

**Rs 5.5 Billion**

Gross Value Added

## BUDGET MEASURES

### ARTS AND CULTURE

Provision of MUR 25 million for the financing of schemes and programmes to support professionals in creative arts.

Launching of an Artist of the Year Award of MUR 250,000 to showcase and market the artistic works of professionals in visual arts, literature, music, audio-visual and digital media, dance and performing arts.

Introduction of an Artist Welfare Fund to provide support to professionals in the arts and their families.

Companies supporting a registered professional in the arts will benefit from a double deduction on the costs incurred for income tax purposes.

Inclusion of the mentoring of talents in traditional Mauritian Segha and Bhojpuri in the Artist Incubator Scheme.

Grant of Premium Investor Certificate for private investment in the development of the creative industry, including concert venues and theatres.

### PRESERVATION OF HERITAGE

Celebration of "La Nuit du Segha" at Le Morne in October 2024.

Organisation of a conference on 'Routes of Enslaved People' in February 2025 to mark the 190th anniversary of the abolition of slavery.

Launching of an International Indentured Labour Route Project in May 2025.

Development of a cultural heritage district in the Apravasi Ghat World Heritage Area to celebrate Mauritius' rich cultural history.

Undertaking of preliminary works for the setting up of an Interpretation Centre, including a Maroonage Museum and craft market at Le Morne.

# RODRIGUES



**44,783**

Population  
(2022)

**17,200**

Employment  
(2022)

**83,619**

Visitors Arrivals  
(2022)

## BUDGET MEASURES

A roadmap will be implemented to shift energy production to renewable sources, and to decarbonize the electricity grid of Rodrigues, with focus on bio fuels.

Rs 7.9 billion earmarked for the construction of a new 2.1 km long runway at Plaine Corail Airport.

Rs 900 million has been earmarked for improvement of the utilities, infrastructure and food security over the next four years.

MUGA facilities will be set up in Rodrigues to motivate the youth to engage in sports activities and enhance the quality of life of the population.

To strengthen border control by customs, two scanners will be installed.

A feasibility study of the port in Rodrigues will be carried out to identify new opportunities and assess infrastructure needs.

The 20 percent rebate on the cost of freight between Mauritius and Rodrigues is being maintained.

Funds have been allocated to subsidise the costs related to product testing, analysis and certification for Rodriguan SMEs.

To promote entrepreneurship, the following will be undertaken:

- a Rodriguan Week will be organised including a Made in Rodrigues Trade Fair to enable local producers to showcase their goods and services
- a Trade and Investment Policy Forum by the Economic Development Board to identify opportunities for business on the island
- a workshop to identify the strategic economic orientation of Rodrigues.

To address the problem of water shortage in Rodrigues, Rs 540 million is being invested for the construction of a desalination plant at Pointe Coton with daily production capacity of 3,500 cubic meters and at Caverne Bouteille with daily capacity of 700 cubic meters which will be operational by July 2025.



# ENABLERS



# INFRASTRUCTURE & UTILITIES



**320 Mm<sup>3</sup>**

Potable water produced  
(2022)

**376,855**

Subscriber to  
domestic water supply  
(2023)

**3,265.5 GWh**

Electricity generated  
(2023)

**513,600**

Electricity consumers  
(all types)  
(2022)

## BUDGET MEASURES

### ROAD INFRASTRUCTURE

Some Rs 3 billion is being earmarked for the construction, upgrading and extension of the road network in respect of existing projects:

- Upgrading of roads at Bel Air, Holyrood Vacoas, Wooton, Tyack, and at Constance near the new Flacq Teaching Hospital;
- Construction of road bypasses at Flic-en-Flac and Hermitage;
- Construction of flyovers at Wooton, Terre Rouge, Ebène and La Vigie;
- Construction of a new roundabout at Goodlands;
- Upgrading of the Roussel Bridge at Grand River North West (GRNW);
- Construction of a new footbridge on M1 at Trianon; and
- Construction of the new link road connecting La Brasserie to Beaux Songes, to Pierrefonds roundabout and to Cascavelle.

The following new road projects have been announced:

- Construction of new flyovers at Labourdonnais on Motorway M2 and Camp Fouquereaux;
- New motorways M4 in the East and M5 in the South; and
- Construction of a new link road connecting Britannia to Rivière des Anguilles.

### PUBLIC TRANSPORT

The Metro Express project connecting Curepipe to Port Louis and extended to Ebene and Reduit is fully operational. The next phase of Metro Express extensions will include La Vigie, Saint Pierre, Côte D'or and Immigration Terminal.

Government will further develop a masterplan to connect the Metro Express to the North, South, East and West.

## BUDGET MEASURES

### FLOOD MANAGEMENT AND LANDSLIDE PROTECTION

With regard to flood management programmes, an additional Rs 1 billion has been earmarked for the implementation of 132 drain projects for a total value of Rs 3.5 billion.

Some Rs 178 million has been earmarked for the completion of landslide protection works at Rivière des Créoles, Rivière des Anguilles Bridge, Chamarel, and slope stabilisation works along Plaisance-Ferney Road at Rivière des Créoles.

### WATER AND SEWERAGE INFRASTRUCTURE

The Government will invest some Rs 2.5 billion in water infrastructure:

- Rs 1.2 billion for the replacement of pipes across the Island including L'Escalier, Mahébourg, Ferney, and Bambous Virieux;
- Rs 930 million for the construction works of the Rivière des Anguilles Dam;
- Rs 345 million for the construction and upgrading of existing water treatment plants in regions of Mont Blanc, Piton du Milieu and Pont Lardier; and
- Commissioning of service reservoirs at Alma and Nouvelle France with a total capacity of 5,500 cubic metres to serve around 4,000 households.

Regarding wastewater management system, some Rs 1.1 billion will be invested for the implementation of sewerage infrastructure projects.





# DOING BUSINESS MEASURES



## BUDGET MEASURES

### DIGITALISATION OF PUBLIC SERVICES

The number of licences being automated on NELS will be extended from 26 to 35 including licence for clinical trials and fishing licences.

The EDB will be working with public sector authorities to double the number of licences delivered electronically within the next 3 years.

The National Land Transport Authority services will be fully digitalised by June 2025 with the Certificate for 'Gage sans déplacement' to be issued online.

Electronic payment facilities for services delivered by Local Authorities will be introduced.

Licences and permits under the purview of the Financial Services Committee will be issued within 10 working days, subject to all requirements being met.

The MACCS e-bunkering service will be made operational on a 24/7 basis.

The Government gazette and legislations will be electronically published.

### LAND USE & CONSTRUCTION PERMITS

Fees for the Building and Land Use Permit (BLUP) will be harmonised across all local authorities.

The validity period of a BLUP to start construction will be extended from 2 to 3 years.

The BLUP guide will be reviewed and standard operating procedures for determination of applications will be introduced.

The process for the determination of land conversion permits will be streamlined.

Timeframes for the determination of Environment Impact Assessment (EIA) licences will be harmonised.

A fast-track mechanism for issuing EIA licences and other permits associated with purchase of barges will be introduced.

A GIS viewer to visualise geospatial data will be introduced to support planning functions and decision-making process.

### EXPEDITING DISPUTE SETTLEMENT

The framework for Alternative Dispute Resolution will be modernised.

The ongoing process of digitalisation of justice and court administration will be accelerated.

Adjournments of hearings at the Assessment Review Committee will only be allowed on specified grounds and cases will be determined within a specified timeframe.

## BUDGET MEASURES

### TRADE FACILITATION

The Consumer Protection (Safety Requirements) Regulations will be reviewed to ensure full recognition of conformity certificates for electronic cables.

A market surveillance framework will be introduced taking into consideration risk-based assessment, traceability of products and transparency of processes and inspections.

### PORT PRODUCTIVITY AND EFFICIENCY

Coordination between all port stakeholders will be improved to facilitate seamless movement of containers between the Mauritius Container Terminal and the Multi-Purpose Terminal.

Automated container tracking systems and online documentation platforms will be implemented.

Dwell time will be minimised through the enhancement of yard management to create space capacity.

Current Quay fees charged by the Mauritius Ports Authority and the Stevedoring and Shore charges by Cargo Handling Corporation Ltd will be maintained for all laden import containers until 30 June 2025.

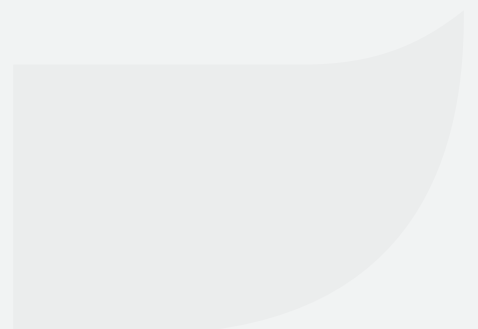
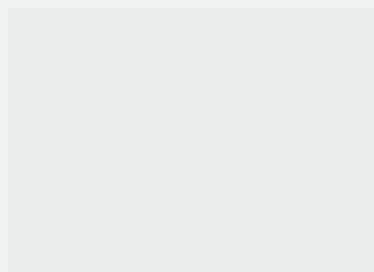
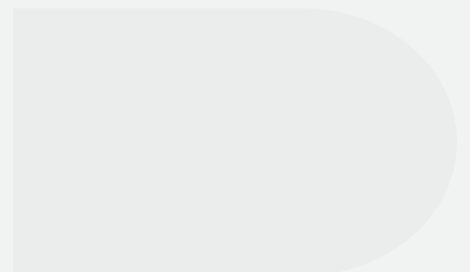
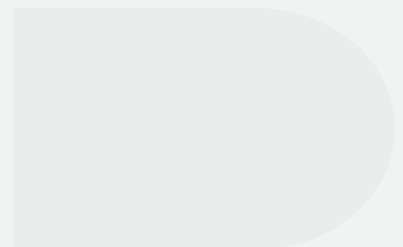
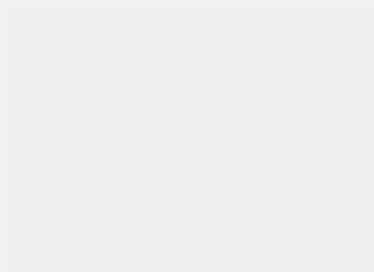
### OTHER REFORMS

The information centre at the Corporate and Business Registration Department (CBRD) will be operational on a 24/7 basis.

Onsite e-filing facilities will be made available at the CBRD during working hours.

A Code of good regulatory practice will be adopted to facilitate reform of the legal and institutional framework for business and investment.

Portability of bank accounts will be enabled.



# LABOUR REFORMS



## BUDGET MEASURES

### OCCUPATION PERMIT

The threshold for the basic monthly salary to qualify for an Occupation Permit under the Professional Category is being reduced from Rs 30,000 to Rs 22,500.

A temporary Occupation Permit of 3 months will be introduced to allow professionals with a minimum of 10 years' experience to work pending approval of their respective applications.

A 10-year expert Occupation Permit will be introduced to attract foreign talents in wealth management, family office, virtual assets, and virtual tokens.

Non-citizens having acquired a Residence Permit under the retirement category will be allowed to take up employment without an additional Work or Occupation Permit.

### WORK PERMIT

The quota on foreign workers in the manufacturing, jewellery, freeport and ICT/BPO sectors will be eliminated.

The recruitment of agricultural workers under Work Permit will be simplified.

The timeframe for delivering a Work Permit will be reviewed to 3 weeks.

Victuallers will be allowed to employ foreign labour.

The ratio of foreign to local workers in the motor vehicle repair and maintenance sector will be revised from one foreign worker for every two local workers to three foreign workers for every one local worker.

All foreign workers operating in sectors for which the current maximum period of stay is 4 years, will be allowed to stay up to 8 years, with an optional break in between.

The criteria to determine an application for work permit as complete will be defined.

The Ministry of Labour, Human Resource Development and Training will issue work permit under new formats including work permit cards as may be required.

## BUDGET MEASURES

### PRIME A L'EMPLOI

The Prime à l'Emploi Scheme of Rs 15,000 for unemployed women irrespective of age will continue.

To increase the participation of women and disabled in the labour force, the Prime à l'Emploi will be made available to those willing to work on a part-time basis. The Government will contribute a sum of Rs 7,500 monthly to their salaries for 20 hours of work.

### PREGNANCY CARE

Maternity Allowance of Rs 2,000 monthly for nine months for the mother, as from the third trimester of pregnancy.

To encourage expecting mothers to systematically follow the required medical checkups during their pregnancy, they will receive a grant of Rs 3,000 when they complete the 6 mandatory medical checkups.

### WORK-LIFE BALANCE – MATERNITY LEAVES

Paid leaves will be increased from 14 weeks to 16 weeks for maternity leaves

For mothers who have given birth to twins or triplets or multiple births, or to a premature baby, a special 2-week additional maternity leave will be provided.

Companies investing in corporate nurseries shall benefit from a tax credit of 25 percent on the cost.

### DEVELOPING THE CARE ECONOMY

Maurice Stratégie will carry out a study to unlock the full potential of the care economy for a more inclusive, sustainable and resilient future as well as increasing the participation of women in the work force.





# FISCAL MEASURES



# FISCAL MEASURES



**Rs 112.6 Billion**

Revenue collected  
(2021-2022)

**Rs 38 Billion**

VAT  
(2021-2022)

**Rs 20.5 Billion**

Excise Duties  
(2021-2022)

**Rs 16 Billion**

Corporate Tax  
(2021-2022)

**Rs 13.7 Billion**

Individual Income Tax  
(2021-2022)

## BUDGET MEASURES

### EXEMPT INCOME

The exemption threshold on lump sum received as pension, retiring allowance or severance allowance will be raised from Rs 2.5 million to Rs 3 million.

Interest income derived from a bond issued by a public sector company to finance infrastructure projects will be exempted from tax provided the exemption is approved by the Minister of Finance, Economic Planning and Development.

Compensation payable, as from 01 January 2024, by Government or a public sector body for losses directly or indirectly suffered as a result of a natural disaster will be exempted.

An allowance paid by Government to an individual under a financial assistance scheme will be exempted.

The exemption granted in respect of income derived from the sale of securities will be extended to cover sale of virtual assets and virtual tokens.

### MEDICAL, BIOTECHNOLOGY OR PHARMACEUTICAL SECTOR

Income derived from intellectual property assets by a manufacturing company engaged in medical, biotechnology or pharmaceutical sector will be taxed at the rate of 15% instead of 3% to comply with international norms.

### PROPERTY TAXES

The transfer of a social housing unit by the New Social Living Development Ltd (NSLD) will be exempted from the payment of registration duty, land transfer tax and tax on transfer of leasehold rights in State land.

### CUSTOMS DUTY

The applicable 15% customs duty will be abolished on milk beverages obtained from nuts, such as walnut and chestnut, to be at par with similar milk beverages such as almond milk, oat milk and soya milk.

### EXCISE DUTY

#### ALCOHOLIC PRODUCTS

A new category of wine, called wine cooler, with alcoholic strength between 1.2 % and 8.5 % of alcohol by volume will be introduced for specified categories of wine.

The following rates of excise duty will be applicable for wine coolers –

Product	Rate of Excise Duty per Litre
Wine Cooler	Rs 186.00
Admixed Wine Cooler	Rs 80.00
Fruit Wine Cooler	Rs 31.00
Island Wine Cooler	Rs 31.00
Made-Wine Cooler	Rs 66.00
Sparkling-Wine Cooler (other than Champagne)	Rs 186.00

## BUDGET MEASURES

The existing excise duty of Rs 2 per unit on cans will be applicable on wine coolers in can.

### EXCISE LICENCE FOR THE STORAGE AND MATURATION OF ALCOHOLIC PRODUCTS

A new Excise Licence will be introduced for the storage and maturation of alcoholic products meant for export or transfer to another excise licensee. The licence fee will be Rs 25,000.

### PLASTIC BOTTLES MANUFACTURED FROM PLANT-BASED MATERIALS

Plastic bottles made from plant-based materials will be exempted from the Rs 2 excise duty per unit on plastic bottles used in the beverages industry.

### MOTOR VEHICLES- EXCISE/CUSTOMS DUTY ON CONVENTIONAL PETROL/DIESEL DRIVEN VEHICLES

The current Excise/Customs Duty Rebate Scheme, wherein a rebate of 45% or 55% was granted on motor vehicles, will end on 30 June 2024. With effect from 01 July 2024, the rebate rates will be incorporated in the statutory excise and customs duty rates on conventional petrol and diesel driven vehicles. The statutory excise and customs duty rates will be permanently reduced by the amount of the rebates.

### VALUE ADDED TAX

Value Added Tax (VAT), Customs Duty and Excise Duty on the procurement of goods and services for a project will be exempted where the project is funded by a donor organisation to the tune of at least 50 per cent grant or concessionary loan.

The following products will be made zero-rated for VAT purposes –

- vegetable seeds, fruit and flower seeds, bulbs and plants used for sowing or planting;
- seedling trays;
- plant pots;
- agricultural sprayers;
- roasted coffee; and
- baby lotions.

The services provided by a Management Company to (i) trusts whose settlor and beneficiaries are non-residents or (ii) foundations whose founder and beneficiaries are non-residents will be made zero-rated for VAT purposes.

The entrance fee to digital art galleries will be exempted from VAT.

Provision will be made to allow diplomatic missions and agents to benefit from VAT exemption or refund on services.

The VAT exemption granted on the construction of a purpose-built building for the provision of primary, secondary and tertiary education will be extended to pre-primary and Technical and Vocational Education and Training with retrospective effect.

Provision will be made to grant VAT exemption on motor vehicles, linked to construction, to approved contractors engaged in the construction of social housing units under a contract with New Social Living Development Ltd with retrospective effect.

### PASSENGER SOLIDARITY FEE

As from 01 January 2025, the Passenger Solidarity Fee for passengers departing from Mauritius and travelling by First Class and Business Class will be as follows –

Passengers	Passengers departing from Mauritius and travelling by First Class and Business Class to the following destinations:	
	Reunion, Madagascar, Seychelles or Comoros	Other Countries
	USD	USD
Children aged 2 and above but below 12 years	25	50
Passengers aged 12 years and above	50	100

## BUDGET MEASURES

### SCHEMES AND ALLOWANCES

#### CSG INCOME ALLOWANCE

Eligible individuals will be granted up to 12 months to provide their bank details to enable the Mauritius Revenue Authority (MRA) to credit their bank account.

#### CSG CHILD ALLOWANCE

The MRA will be allowed to pay the Child Allowance for a period of 12 months preceding an application under the scheme instead of only 3 months. The time limit to entertain an application will be extended to 31 December 2025.

#### PRIME À L'EMPLOI SCHEME

As from 17 November 2023, the minimum unemployment period for a person to qualify under the Prime à L'Emploi Scheme has been reduced from one year to 3 months.

Employers are required to safeguard employment of an employee for a period of at least three years.

An employer who lays off an employee is required to wait at least 3 months prior to making an application under the Scheme.

#### INDEPENDENCE ALLOWANCE

The time limit to entertain an application, for the Independence Allowance, will be extended from 3 months to 12 months from the date an eligible youth attains the age of 18 years.

#### DIESEL FINANCIAL SUPPORT

A financial assistance of Rs 5 per litre of Diesel consumed will be provided to certain categories of businesses.

#### FINANCIAL ASSISTANCE TO EMPLOYERS

A monthly financial assistance to be provided for payment of the National Minimum Wage and salary compensation 2024 (10% of basic salary with a maximum of Rs 2,000) of –

#### (I) EMPLOYEES EARNING NATIONAL MINIMUM WAGE

- Rs 3,500 per employee of an Export Oriented Enterprise (EOE);
- Rs 3,500 or Rs 1,750 per employee of a manufacturing enterprise with annual turnover not exceeding Rs 100 million, depending on the profitability of the enterprise;
- Rs 2,500 or Rs 1,250 per employee of a Small and Medium Enterprises (SME) or a manufacturing enterprise with annual turnover between 100 million and Rs 500 million, depending on the profitability of the enterprise;
- Rs 1,250 or Rs 625 per employee of other enterprises facing difficulties, depending on the profitability of the enterprise; and
- Rs 2,500 per employee of a registered charitable institution or a registered religious body.

#### (II) EMPLOYEES EARNING BASIC SALARY ABOVE THE NATIONAL MINIMUM WAGE BUT NOT EXCEEDING RS 50,000 MONTHLY

- Maximum of Rs 2,000 per employee of an EOE;
- Maximum of Rs 2,000 or Rs 1,000 per employee of an SME or a manufacturing enterprise with annual turnover not exceeding Rs 500 million, depending on the profitability of the enterprise;
- Maximum of Rs 1,000 or Rs 500 per employee of other enterprises facing difficulties, depending on the profitability of the enterprise; and
- Maximum of Rs 2,000 per employee of a registered charitable institution or a registered religious body.

#### (III) DURATION OF ASSISTANCE

This assistance will be payable –

- for the period from January 2024 to December 2024 to EOE's, SMEs, manufacturing enterprises, registered charitable institutions and registered religious bodies; and
- for such period as may be approved by the Minister of Finance, Economic Planning and Development for other enterprises up to December 2024.





# SOCIAL MEASURES



# SOCIAL MEASURES



**Rs 20,000 (2024)**

Minimum Salary

**0.304 (2022)**

Gini Coefficient

**350,000 individuals**

**(2022-2023)**

CSG Income Allowance Beneficiaries

## BUDGET MEASURES

### PAEDIATRIC CANCER CARE

Young adults aged from 18 to 25 years suffering from cancer will receive treatment in the best foreign and local cancer centres, fully funded by the Government.

For other severe medical conditions, the maximum amount of Rs 1 million has been removed under the Overseas Treatment Scheme for paediatric patients up to the age of 18 years. The Government will cover the full cost of the overseas treatment.

For patients aged 26 years and above, all medical treatments are being increased as follows: -

- The monthly household income eligibility from Rs 150,000 to Rs 200,000; and
- The grant limit from Rs 1 million to Rs 1.3 million.

### PREGNANCY CARE

To encourage expecting mothers to systematically follow the required medical checkups during their pregnancy, Rs 3,000 is being granted when they complete the 6 mandatory medical checkups

A Maternity Allowance of Rs 2,000 monthly is being introduced for nine months for a mother, as from the third trimester of pregnancy.

### WORK-LIFE BALANCE

Paid leaves are being increased as follows: -

- From 14 weeks to 16 weeks for maternity leaves; and
- From 1 week to 4 weeks for paternity leaves.

For mothers who have given birth to twins or triplets or multiple births, or to a premature baby, a special 2-week additional maternity leave will be provided.

Companies investing in corporate nurseries shall benefit from a tax credit of 25 percent of the cost.

### SOCIAL WELFARE

As from the 1st of July 2024, the minimum monthly subsistence allowance for households registered on the Social Register of Mauritius (SRM) will be increased to Rs 1,500.

Rs 11 million is being provided to improve access to employment opportunities by SRM beneficiaries through enhanced skills, job placements, and training.

Spectacles is being provided to all SRM beneficiaries.

### FIGHT AGAINST DOMESTIC VIOLENCE

A Survivor Support Scheme with a one-off financial assistance of Rs 5,000 to help victims of domestic violence is being introduced.

## BUDGET MEASURES

### NGOs

A triple deduction will be provided to companies donating to NGOs involved in the combat against drug abuse, gender-based violence, poverty alleviation and protection of animals.

Income tax deduction is increased from Rs 50,000 to Rs 100,000 for individuals and companies donating to other NGOs and charitable institutions.

NGOs and private hospitals will be provided with duty free facilities for the purchase of ambulances.

To recognise the role played by NGOs and social workers, the National Council of Social Work will be set up to provide a legal framework to promote and regulate social work education and practice.

### ANIMAL WELFARE

The Mauritius Society for Animal Welfare will be equipped with two mobile veterinary clinics to further enhance its dog sterilisation programme.

A dog shelter will be constructed at Plaine Magnien.

To reduce the number of stray dogs, an incentive of Rs 200 to individuals shall be provided for the sterilization and tagging of these animals at the MSAW or at registered NGOs.

All dogs sold should be mandatorily registered with MSAW.

The Animal Diseases Act will be amended to:

- designate the National Veterinary Laboratory as the body to perform diagnostic test in animals in line with the World Organization for Animal Health;
- allow registration of livestock establishments such as farms, slaughterhouses, breeding facilities, quarantine facilities for traceability in the veterinary sector and disease surveillance;
- re-define animals as vertebrates, invertebrates and aquatic animals; and
- align the definition of disease with the World Organization for Animal Health.

### DECENT HOUSING FOR ALL

1,800 housing units are expected to be completed by December 2024, and the remaining will be delivered by June 2025 totalling 8,000 units.

Beneficiaries of the housing units will avail of housing loans on favourable terms for the acquisition of their property.

The NHDC will complete the construction of 223 units at La Valette by end June 2024 and construct 546 new social housing units at Camp Ithier, Quatre Cocos, Solitude, Henrietta, Melrose, Sebastopol, Souillac and Wooton.

To assist individuals in the construction of their houses, the monthly income eligibility criteria for casting of roof slab grant scheme and purchases of building materials scheme is being increased from Rs 30,000 to Rs 40,000.

Under the Home Ownership Scheme, a 5 percent refund on the cost of the purchase of a property, up to a maximum of Rs 500,000 is being provided.

The Home Loan Scheme of a 5 percent refund on the loan amount, up to a maximum of Rs 500,000 is being extended.

### CHILD WELFARE

The monthly Child Allowance for children from birth up to the age of 3 years is being increased to Rs 2,500.

As from the 1st of July 2024, a School Allowance of Rs 2,000 monthly is being introduced to all children aged 3 years up to 10 years.

As from the 1st January 2025, sanitary towels will be made available freely to all girls from Grade 6 to Grade 13.

All parents having children in full-time education in fee-paying private schools will be eligible to an income tax deduction of up to Rs 60,000 per child per annum.

As from this year, a full subsidy on SC and HSC examination fees is being provided for those students who have either not obtained their 5 credits or not passed the SC or HSC.

The monthly child allowance for retirees, widows and disabled individuals is being increased to Rs 2,500, irrespective of the number of children.

## BUDGET MEASURES

The household income ceiling to qualify for Multiple Birth Allowance is being increased from Rs 390,000 to Rs 500,000 and the monthly allowance is being increased from Rs 3,272 to Rs 5,000.

### YOUTH

A free monthly data package is being provided for all citizens aged 18 to 25 years of age.

The DBM will introduce a zero percent loan on IT equipment for those aged 18 to 25 years old.

### ELDERLY

As from the 1st of July 2024, the monthly basic retirement pension shall be increased to Rs 14,000.

The Basic Widow's Pension, the Basic Invalid's Pension and the Basic Orphan's Pension will be increased to Rs 14,000.

From the 1st of July 2024 up to the 31st December 2024, retirees at the age of 65 years will receive Rs 15,000 and Rs 16,500 for retirees at the age of 75 years.

From the 1st of July 2024 up to the 31st December 2024, retirees aged between 90 and 99 years, will receive Rs 24,210 and a centenary will receive Rs 29,210.

As from the 1st of January 2025, the Basic Retirement Pension and all basic pensions will be increased to Rs 15,000.

As from the 1st of January 2025, retirees at the age of 65 years will receive Rs 16,000 and Rs 17,500 at the age of 75 years.

As from 1st January 2025, retirees aged between 90 and 99 years, will gain Rs 25,210 and a centenary will gain Rs 30,210.

The monthly rent allowance to beneficiaries of basic pensions living alone has been increased to Rs 3,500.

The Inmate's allowance for retirees in charitable institutions is being increased to Rs 1,500.

An individual will be allowed to deduct Rs 30,000 for the employment of a carer to cater for his parents or grandparents and an individual having reached the age of 60 years, may benefit from a permit to recruit a foreign carer, irrespective of the place of origin.

The exemption of income tax on the lump sum received is being increased from Rs 2.5 million to Rs 3 million.

The Guardian's Allowance for persons taking responsibility of orphans under their custody is being increased to Rs 2,000 monthly.

Disabled children of less than 18 years, an additional monthly allowance of Rs 3,000 shall be introduced.

### DISABLED

The Basic Invalid's Pension shall be increased to Rs 15,000 in January 2025.

A refund of taxi fares will be provided to all students attending integrated units and special education needs resource and development centres.

The monthly incontinence allowance of Rs 1,800 will be increased to Rs 2,500 and patients suffering from Severe Spinal Cord Trauma will also benefit from it.

For parents of all children aged below 18 years of age with a disability, a duty-free concession on a motor vehicle will be provided.

Disabled children of less than 18 years, an additional monthly allowance of Rs 3,000 shall be introduced.

### CONSUMER PROTECTION

The subsidy per "pain maison" will be increased to 24 cents.

The price of a 12 kg cylinder of cooking gas is being reduced from Rs 240 to Rs 190.

The applicable 15% customs duty will be abolished on milk beverages obtained from nuts, such as walnut and chestnut, to be at par with similar milk beverages such as almond milk, oat milk and soya milk.

To ensure the protection of consumers with regard to safety and quality of products, a framework will be set up for market surveillance by taking into consideration risk-based assessments, traceability of products and transparency of processes and inspections.

## BUDGET MEASURES

### SUPPORTING INCOMES

The CSG Income Allowance is being increased as follows:

- Rs 3,000 for individuals earning less than Rs 20,000;
- Rs 2,500 for individuals earning less than Rs 25,000;
- Rs 2,000 for individuals earning less than Rs 30,000; and
- Rs 1,500 for individuals earning less than Rs 50,000.

The 'Revenue Minimum Garanti' is being increased to Rs 20,000.

For all those who have a revenue, including the CSG Income Allowance of less than Rs 20,000, a maximum of Rs 500 monthly will be top-up by the Government.

### ALLOCATION ÉGALITÉ DES CHANCES

An 'Allocation Égalité des Chances' of Rs 2,000 is being introduced for each and every household earning less than Rs 20,000 monthly.



# BUDGET NEWSLETTER 2024/2025

*Tomorrow is Ours*

