



Republic of Mauritius

Annual Report 2018-2019

Ministry of Business,
Enterprise and Cooperatives

*Working for the
betterment of the Nation*



Contents

About this Report.....	1
An insight of the Ministry	2
Business and Enterprise Division.....	3
BED Strategic Pyramid	4
Functions of the Business and Enterprise Division	5
Gender Statement	6
Our People.....	8
BED Team	9
Our Strategic team.....	13
Major Achievements for the financial year 2018-2019.....	18
Upcoming Projects	33
Electronic Document Management System (eDMS)	34
Status on Implementation of Budget Measures.....	36
Financial Performance	37
Way Forward	39
Strategic Direction.....	43
COOPERATIVES DIVISION	45
Vision, Mission and Value Statement.....	46
Roles and Functions of the Cooperatives Division	47
About Our People.....	47
Statutory Bodies under the aegis of the Cooperatives Division	53
Gender Statement	54
Achievements and Challenges	56
Cooperative Societies.....	57
Status on Implementation of Budget Measures.....	68
Risk Management, Citizen Oriented Initiatives & Good Governance.....	68
Strategic Direction.....	69
List of Figures	73

About this Report

The Annual Report on Performance of the Ministry of Business, Enterprise and Cooperatives is a statutory requirement in accordance with Section 4B of the Finance & Audit Act.

Annual report 2018-19 provides information on the Ministry's performance, achievements and the reasons for deviations on targets set for a particular year, in relation to the resources approved by the National Assembly.

This report also includes a gender statement, status of strategic action plan 2018-2020 and an implementation plan to address shortcomings identified in the latest Director of Audit's Report.

An insight of the Ministry

The Ministry of Business, Enterprise and Cooperatives (MoBEC) comprises two Divisions, namely the Business and Enterprise Division (BED) and Cooperatives Division. The main activities of the Ministry revolve around formulation of policies pertaining to Micro, Small and Medium Enterprises and Cooperatives.

BED acts as a facilitator and catalyst in the promotion, development and growth of a competitive and innovative SME sector by creating the appropriate framework through mentoring, coaching and provision of adequate business development support and incentives.

The potential of cooperatives to contribute to the solution of national, economic, social and environmental problems and to the improvement of the economic and social conditions of the population is being increasingly recognised.

The Cooperatives Division has the statutory duty to ensure that the cooperative societies operate within the cooperative legal regulatory framework. It assists in the consolidation, promotion and development of the Cooperative Movement through the creation and provision of favourable and conducive environment through formulation of apposite policies and strategies.



The background of the slide is a photograph of a gallery. The walls are covered with numerous Indian folk art tapestries, known as 'Pattachitra'. These artworks depict various scenes, including deities, animals like elephants, and human figures in traditional attire. The tapestries are arranged in a somewhat haphazard manner, with some hanging vertically and others horizontally. In the foreground, a table covered with a white cloth holds several more tapestries, some of which are partially visible. The overall lighting is soft, and the colors of the tapestries are muted, giving the image a vintage or artistic feel.

Business and Enterprise Division

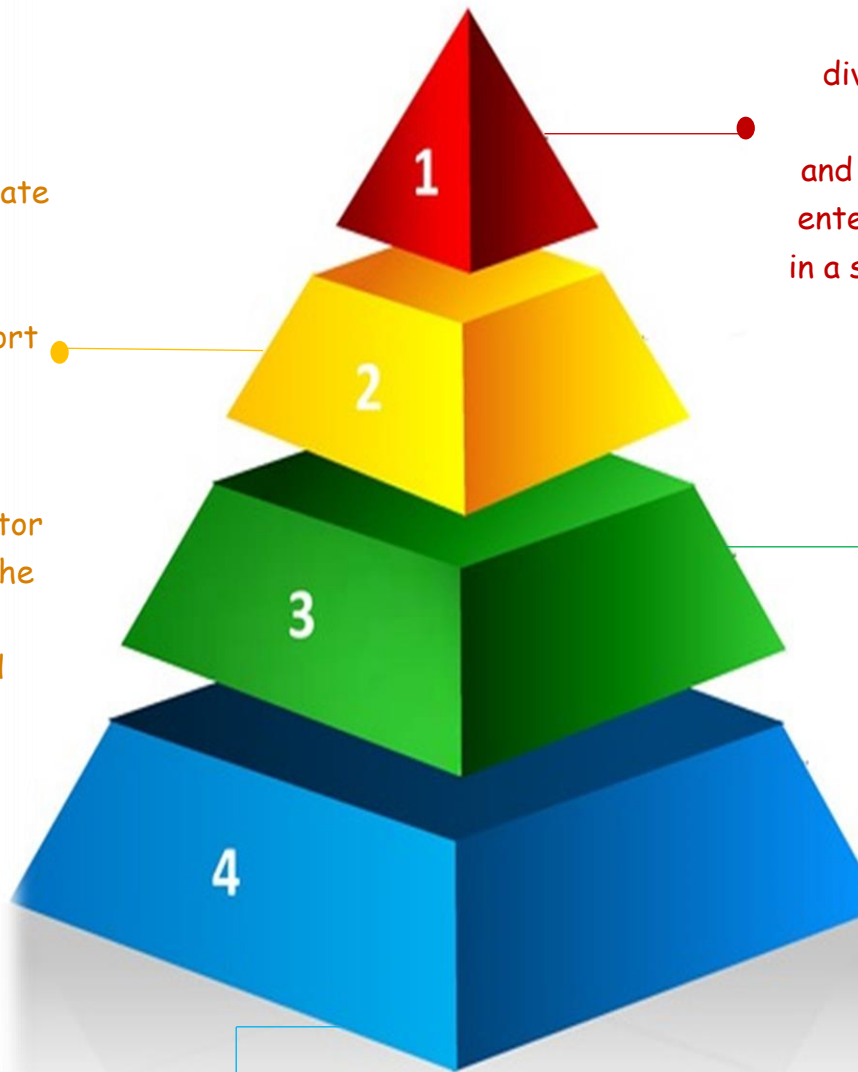
“Coming together is a beginning, staying together is progress and working together is success”

Henry Ford

BED Strategic Pyramid

Mission

- ◆ Provide appropriate technical, professional and managerial support to businesses
- ◆ Act as a facilitator and catalyst in the promotion, development and growth of a competitive and innovative SME sector



Vision

Develop a strong, diversified, competitive, resilient and innovative business and enterprise sector operating in a sustainable environment

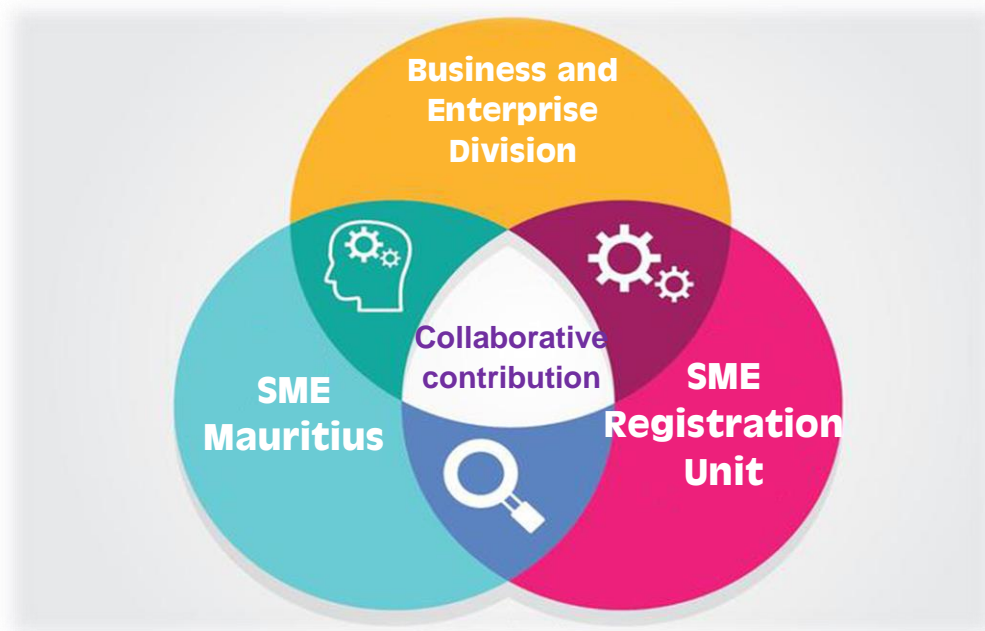
Strategies

- Creating the right ecosystem for SME development
- Clustering of SMEs
- Promotion of local SME products
- Collaboration with strategic partners in the SME sector
- Providing skilled programs for creation, organization and management of SMEs

Actions

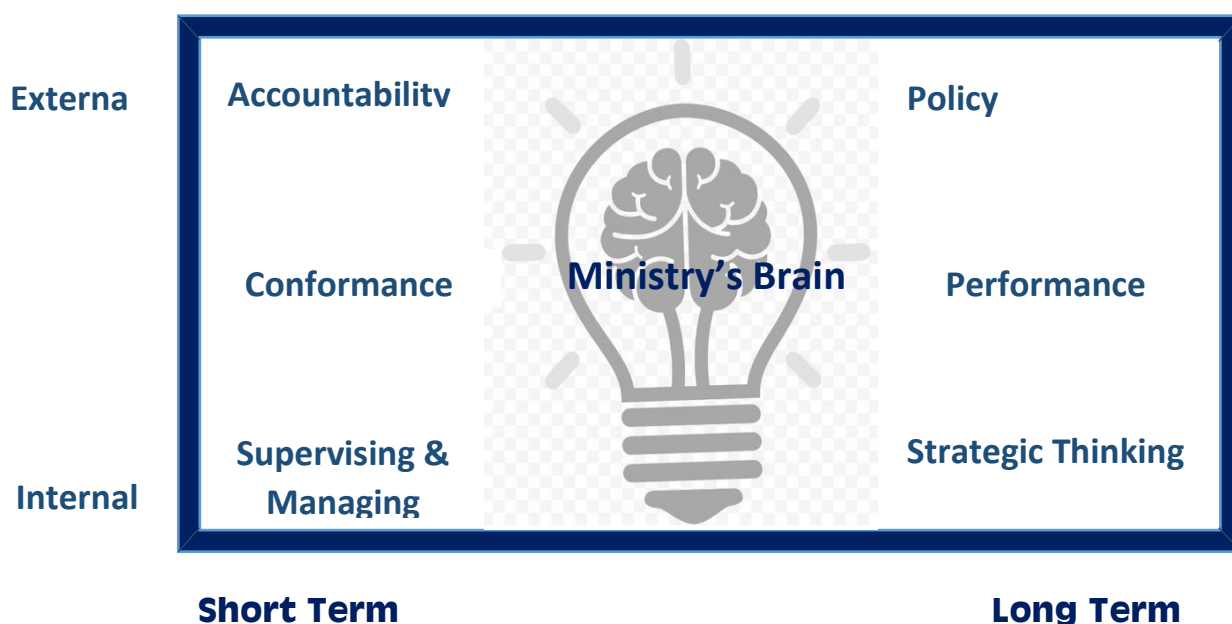
- ◆ Implementation of several schemes/ measures for the development and promotion of SMEs
- ◆ Development of a National Leather Value Chain Strategy
- ◆ Launching of the SME Excellence Award 2019
- ◆ Provision of demand-based training courses to SMEs on 3-D printing, Banana Fibre transformation, Madhubani Art painting and Aquaponics
- ◆ Development and implementation of the eDMS

The strategic objectives of the Division are fulfilled through its two executive arms, namely the SME Registration Unit and SME Mauritius.



Functions of the Business and Enterprise Division

The Ministry has been functioning as a learning organization within the basic values of effective good governance: accountability, probity and transparency as clearly demonstrated in figure below:



The diagram indirectly encapsulates foresightedness together with the duty of critical review, learning, development, appraisal and communication.

Gender Statement

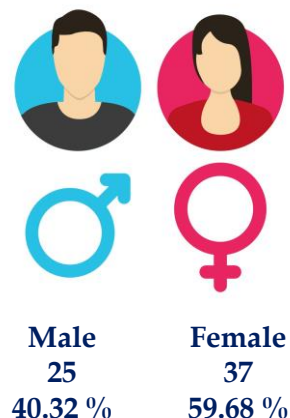
The BED Gender Policy Statement, published in January 2017, subscribes itself to the broad principles of The National Gender Policy Framework 2008 and is guided by its comprehensive vision. It reflects our commitment to mainstreaming gender in our specific sector intervention, ultimately promoting gender equity and equality for a sustainable society.

The Gender Cell at the level of BED has already met on 26 occasions to oversee gender issues and ensure that all activities/programmes are gender sensitive.

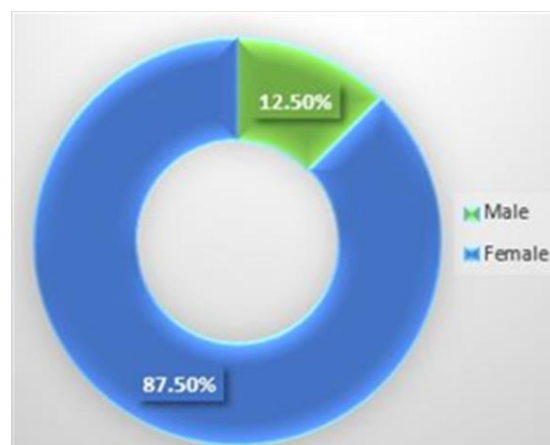
Also, promoting gender parity in all departments and at all levels within the Ministry and in order to provide a conducive environment whereby a culture of equal respect of men and women prevails, the BED ensures the participation of women in policy development and decision-making processes at all levels.

The staffing position gender-wise is as follows:

Gender staffing Proportion



Gender Cell Committee



Gender Distribution in the SME Sector

It is to be noted that women have equal access to all schemes, facilities and business development services offered by BED.

Other vital statistics:

- (i) Nos of Registration Certificates issued: **2400**

 **837 are women (35%)**

- ii) Nos of Visitors seeking information & business counselling: **5,638**

 **1954 are Women (35%)**

- iii) **155** Laid Off Workers have reported at the SME Registration Unit for the Period July 2018 to June 2019.

 **58 were women (37%).**

- iv) SME Development Certificate Scheme

11 out of the 45 Letter of Intent issued were for women entrepreneurs – **(24%)**

3 out of the 25 certificates issued were for women entrepreneurs – **(12%)**

Our People

BED comprises six strategic sections as illustrated in the figure below which depicts the sources of human relationship in cultivating, organizing and using our potential in attaining our vision.



BED Team



The Senior Chief Executive is the Administrative Head of the Ministry. At the level of BED, he is assisted in his functions and duties by one Deputy Permanent Secretary, one Assistant Permanent Secretary and officers from other cadres namely: Administrative, Technical, Human Resource Management, Financial Operations, Procurement and Supply as well as officers belonging to the General Services. He is responsible for overall administration and general supervision of the Division.

Our workforce is well aware and realise that they are part of one team, engendering a willingness on the part of everyone to pull in one direction to accomplish our mission, regardless of the job and task at hand.

Our Strategic team



Hon Soomilduth Bholah
Minister of Business, Enterprise
and Cooperatives
Email: sbholah@govmu.org



Mr Abdool Nooranee Oozeer
Senior Chief Executive
Email: anoozeer@govmu.org



Mr Dhanraj Conhye
Deputy Permanent Secretary
Email: dconhye@govmu.org



Miss Akansha Bhowon
Assistant Permanent Secretary
Email: abhowon@govmu.org



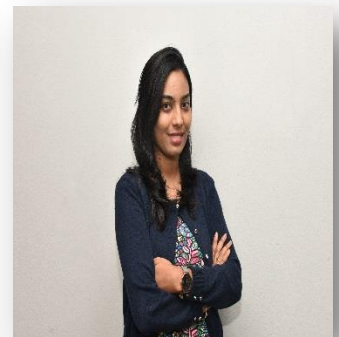
Mr Vishwanathsing Joysury
Senior Adviser
arvindjoysury@hotmail.com



Mrs Ruquyya Kurreembokus
Adviser on Information Matters
ruquyyakurreembokus@gmail.com



Miss Thaneshwaree Ramnarain
Business & Enterprise Analyst
Email: tramnarain@govmu.org



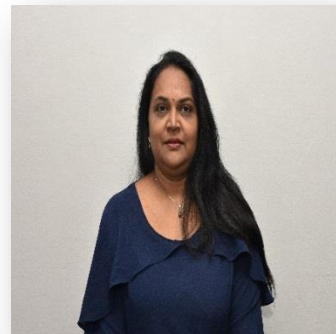
**Mrs Varsha Veeramah-
Ramiah**
Business & Enterprise Analyst
Email: vveeramah@govmu.org



Mr Chi Ng Leong Chi Kam Chun
Assistant Manager
c-chi-kam-chun@govmu.org



Mrs Sakountala Nuckchady
Manager, Human Resource
Email: snuckchady@govmu.org



Mrs Kavita Seetloo
Human Resource Executive
Email: kseetloo@govmu.org



Mrs Sanjna Govedo
Manager, Financial
Operations
Email: sgovedo@govmu.org



Mrs Jaysreebhaye Devjee

Asst. Manager, Financial
Operations

Email: jdevjee@govmu.org



Mr Abdool Nasser Rasmally

Office Management Executive

Email: nrasmally@govmu.org



Mrs Catherine Laridon

PSO /Senior PSO

Email: claridon.govmu.org



Mrs Lalita Bundhooa

Office Management

Assistant

Email:

lbundhooa@govmu.org

BED comprises **67** personnel. Below is a breakdown of our workforce as at 30 June 2019:

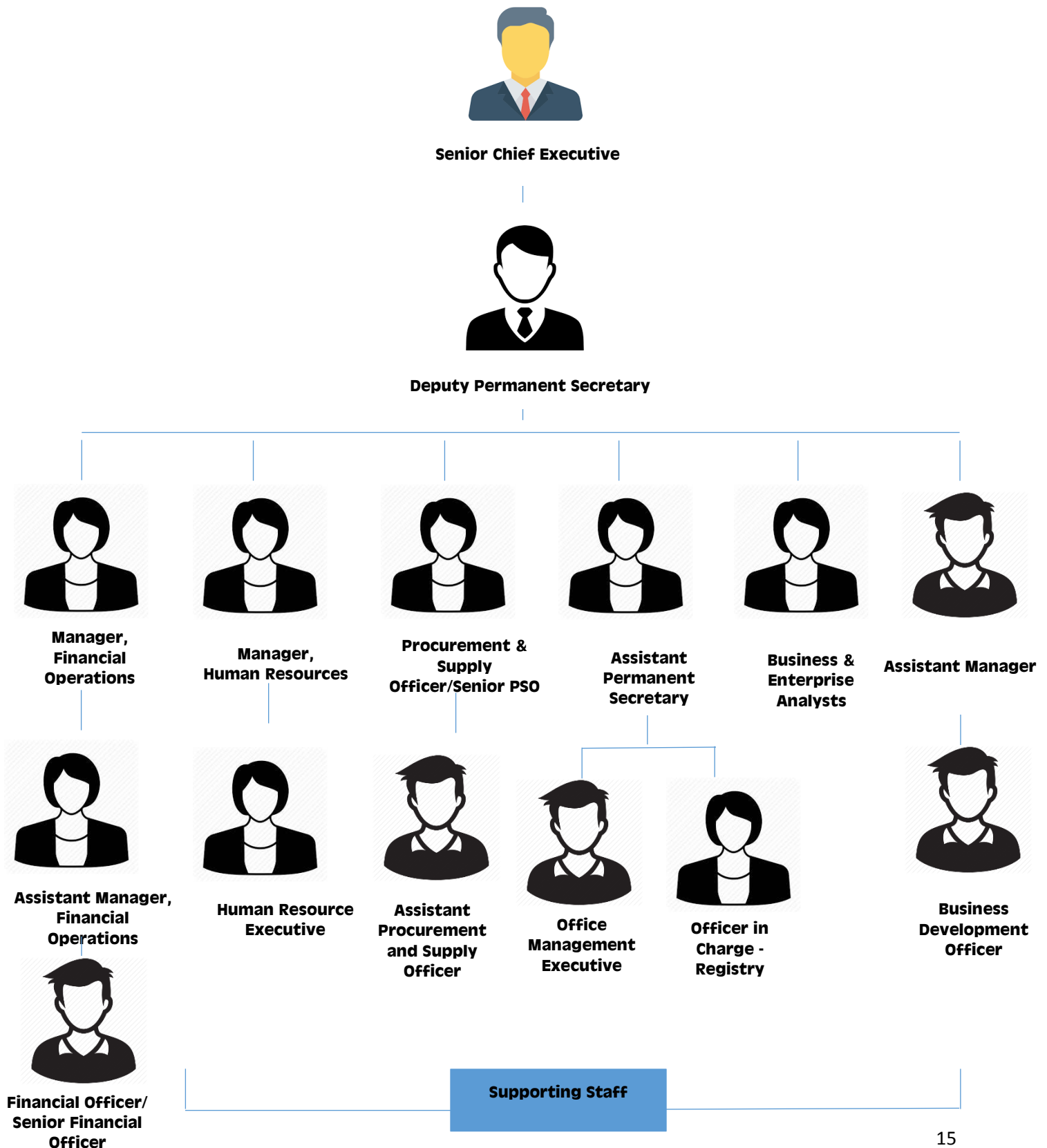


Statement of Vacancies as at 30 June 2019

S/N	Grade	No. on Establishment	In Post	Vacancies	Funded Position
1.	Senior Chief Executive	-	1	-	-
2.	Permanent Secretary	-	-	1	1
3.	Deputy Permanent Secretary	-	1	-	1
4.	Assistant Permanent Secretary	-	1	1	2
5.	Principal Business and Enterprise Analyst	1	-	-	-
6.	Senior Business and Enterprise Analyst	1	-	1	1
7.	Business and Enterprise Analyst	4	2	2	4
8.	Manager, Human Resources	-	1	-	-
9.	Manager, Financial Operations	-	1	-	1
10.	Human Resource Executive	-	1	-	-
11.	Assistant Manager, Financial Operations	-	1	-	1
12.	Financial Officer/Senior Financial Officer	-	1	-	1
13.	Assistant Financial Officer	-	1	-	1
14.	Internal Control Officer/Senior Internal Control Officer	-	-	1	1
15.	Procurement and Supply Officer/Senior Procurement and Supply Officer	-	1	-	1
16.	Assistant Procurement and Supply Officer	-	1	-	1
17.	Office Management Executive	-	1	-	1
18.	Office Management Assistant	-	3	-	3
19.	Management Support Officer	-	10	-	10
20.	Confidential Secretary	-	3	-	3
21.	Word Processing Operator	-	3	-	3
22.	Receptionist / Telephone Operator	-	1	-	1
23.	Head Auxiliary	-	1	-	1
24.	Office Auxiliary/Senior Office Auxiliary	-	5	-	5
25.	Driver	1	2	-	2
26.	Driver (Roster)	1	1	-	1
27.	Assistant Manager (Personal)	-	1	-	-
28.	Business Development Officer (Personal)	-	3	-	-
29.	Executive Officer (Personal)	-	2	-	-
30.	Senior Clerk/ Word Processing Operator (Personal)	-	1	-	-
31.	Clerical Officer/ Higher Clerical Officer (Personal)	-	1	-	-
32.	Receptionist/ Word Processing Operator (Personal)	-	1	-	-
33.	Driver/ Office Attendant	-	1	-	-
34.	Office Attendant	-	2	-	-
Total		8	55	6	46

Organigram of BED

The Organisation Structure of BED as at 30 June 2019 is as follows:



Training and Development

Training and Development (T&D) involves improving the effectiveness of individuals and teams and ultimately that of the organization to avoid ignorance and ineptitude.

It is in this context that T&D has been included as a major component of the Public Sector Business – Action Plan of BED. To this effect, a Training Needs Committee (TNC) was set up in May 2018, met six times in order to identify the appropriate training requirement at BED using Performance Management System as one of its working tools.

The Committee also ensures that all eligible officers are given equal opportunity to attend training programmes to help them learn new and specific knowledge or skills to improve their performance in their current roles as well as provide them with the opportunity for employee growth and aim for still better performance. Also, officers are granted appropriate releases to attend courses/to sit for examinations to be better equipped to meet new challenges and

overcome inevitable human inadequacies.

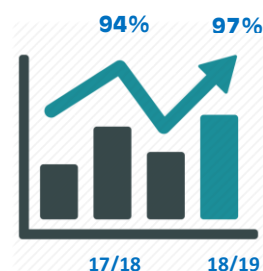
Training attended by officers

During the financial year 2018/2019, the training courses attended by officers of this Division are shown below:

Locally:

FY 2017/18: 44

FY 2018/19: 53



Courses:

- Performance and Public Service Excellence for Support Staff
- Legislative Drafting Training
- National Leather Value Chain Strategy Validation Workshop

Overseas:

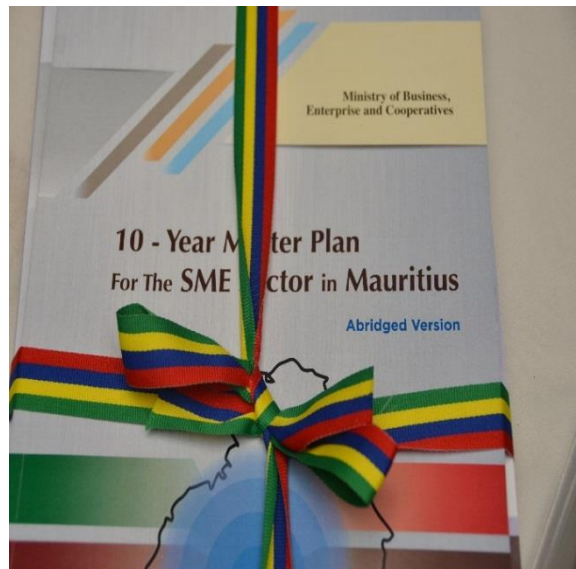


FY 2018/19: 8

Courses:

- Setting up Business Center & Investment Promotion for Developing Countries
- Small Business Planning & Promotion

Major Achievements for the financial year 2018-2019



The 10-Year Master Plan for the SME sector, formulated and published in March 2017 aims at **making SMEs the engine of growth in view to position Mauritius as a High- Income Economy**, has proposed **9** High Impact Initiatives (HIIs), with **46** Key Actions (KAs), **27** Sectoral Actions (SAs) and **13** Thematic Actions (TAs). A Steering Committee with major stakeholders was set up to implement and monitor the recommendations of the Master Plan. As at

June 2019, **50%** of the **86** recommendations have been initiated while **23%** have been implemented.

SME sector by 2026

With a series of recommendations to reshape the entrepreneur landscape, the 10- Year SME Master Plan has set ambitious yet realistic target for the SME sector that will bring the expected “quantum leap” for the SME sector by 2026.



SME Registration Unit

Article 3 of the SME Act 2017 provides for the Registrar of SMEs following which the SME Registration Unit has been set up, as part of MoBEC. A pictorial view of the functionality of the SME Registration Unit is depicted as per below:



The 10-Year Master Plan proposed a fundamental institutional reform to better support the SMEs through the creation of **SME Mauritius**.

SME Mauritius Ltd

Following the promulgation of the SME Act 2017 on 18 January 2018, SME Mauritius, a wholly owned Government Company, operating under the aegis of BED, came into existence with the objectives to promote and develop



entrepreneurship while providing necessary support and assistance to the micro, small and medium (MSME) enterprises.

For the financial year 2018-2019:

Achievement 1 (Hologram)

SME Mauritius implemented the hologram project revamping and adding value to the handicraft sector in Mauritius



- ◆ **57 artisans** was awarded the hologram
- ◆ **219 products** referenced

Achievement 2 (sensitisation campaigns)

SME Mauritius reached a wider public, creating awareness and encouraging entrepreneurship

- ◆ 98 interactive events conducted
- ◆ 4,012 people reached, of which:
 - 989 women (through targeted activities)
 - 665 youngsters

Achievement 3 (Implementation of Schemes)

- ◆ 42 SMEs benefitted from Mentoring and Handholding Scheme
- ◆ 435 graduates placed under the SME Employment Scheme in Mauritius and 43 graduates placed in Rodrigues
- ◆ 69 SMEs benefitted from the online visibility scheme
- ◆ 33 were in process to benefit from the Inclusive Business Scheme

- ◆ 22 benefitted from the productivity improvement scheme
- ◆ 64 are in process to benefit from the certification scheme
- ◆ 117 have benefitted from the barcode scheme
- ◆ 39 SMEs benefitted from the Solar PV Rebate Scheme

**Achievement 4
(Training in
Handicraft and
Management)**

SME Mauritius imparted skills to potential entrepreneurs

- ◆ 395 participants have been trained in craft and skills, and 151 are from Rodrigues
- ◆ 256 participants have been trained in management courses

SME Mauritius brought in foreign technical expertise in order to enhance the capacities of SMEs

**Achievement 5a
(Foreign
Expertise)**



15 participants trained in banana fibre transformation from Expert from Uganda

- ◆ 12 craftsmen trained for Madhubani Art from Expert from India.



Achievement 5b
(Technical
Training)

SME Mauritius trained SMEs to contribute to self- sufficiency and national food security



150 people benefitted
from technical training
in Aquaponics

SME Mauritius has organised three workshops:

- ◆ Workshop on **Industrial Property Rights** held at IFE, Reduit on 29 March 2019
- ◆ Workshop on **Business Plan** held at IFE, Reduit on 29 May 2019
- ◆ Workshop on **Digital Marketing** held at IFE, Reduit on 26 June 2019

Achievement 5
(Workshops)

Achievement 6
(Fairs)

- ◆ 3 regional trade fairs which recorded 22,200 visitors
- ◆ 3 trade fairs in Rodrigues
- ◆ 16 radio/TV live events which enlisted the participation of SME Mauritius



Achievement 7
(Customer
Service)

- SME Mauritius remained connected to SMEs
- ◆ 1,015 site visits
 - ◆ 7,014 phone calls made to SMEs
 - ◆ 6,506 correspondences sent to SMEs
 - ◆ 2,701 existing SMEs walked in for advice
 - ◆ 2,505 prospects walked in for advice
 - ◆ 4,450 existing SMEs phoned for advice
 - ◆ 3,770 prospects phoned for advice

Achievement 8
(MoUs signed
with SME
Mauritius)

- ◆ MoU signed with the National Productivity and Competitiveness Council (NPCC) for the Productivity Improvement Scheme on 15th May 2019
- ◆ MoU with the Human Resource Development Council for a project collaboration Agreement for SME Employment Scheme signed on 09th January 2019
- ◆ MoU signed with l'institut de la francophonie pour l'entrepreneuriat (IFE) on 22nd November 2018 for :
 - providing highly skilled programs for creation, organization and management of SMEs;
 - designing, planning, implementing and evaluating relevant courses as per SME Mauritius TNA.

- ◆ MoU signed with Business Mauritius and Association of Mauritian Manufacturers (AMM) on 12th October 2018 for strengthening export competitiveness for inclusive growth in Mauritius



- ◆ MoU signed with MIPSIT Digital Ltd on 15th May 2018 as joint initiative with the MCCI, to showcase genuine handicrafts, on the E-commerce platform www.taxfreeshopping.mu managed by MIPSIT Digital Ltd
- ◆ MoU signed with MCCI and GS 1 (Mauritius) Ltd for the barcode scheme- Allocation of GS1 Barcode
- ◆ MoU signed with Mauritius Standard Bureau (MSB) for ISO and HACCP Certification on 2nd May 2019

Other measures for the SME Sector:

1. SME Development Scheme Certificate

SME Development Scheme Certificate was developed and implemented since January 2016 as a comprehensive programme, giving both fiscal and financial incentives to eligible SMEs for a real boost to the development of the SME sector especially for startups and young graduates.

Holders of the SME Development Scheme Certificate benefit the following incentives and facilities:

- ★ Income tax holiday for the first 8 years.
- ★ Interest Rate (Key Repo Rate less 1.0%), currently 2.5% for the first 4 years.
- ★ A maximum of 90% project financing with maturity of up to 10 years.

The Company/ Cooperative society/Individual should be involved in any of the 7 priority sectors below:



Manufacturing



Bio farming and value-added Agri-Business activities



ICT and other Export Services



Aqua Culture and other added Ocean Economy related activities



Renewable and Green-Energy



Handicraft



Any other productive sectors that will create employment

Since 2016, some **414** letters of intent have already been issued for a total project value of **Rs 1,551 Million** with an expected employment creation of **2,692**.

Data on SME Development Scheme Certificate (as at 17 June 2019)

Nos of Applications received and examined	582
Nos Approved	414
Nos rejected	85
Nos not going ahead	64
Nos of new applications in process	19
Total project value of 414 approved projects	Rs 1,551M
Total amount of loans requested	Rs 1,174M
Total Employment to be created	2,692
Total amount of loan approved by MauBank (169 companies)	approx Rs 425M
Total amount of loan disbursed by MauBank	approx Rs 284M
Number of applications declined/ deffered by MauBank	208
Nos of SMEDS Certificates issued	136
Amount of loan disbursed under Micro-loan for individuals	18.5M

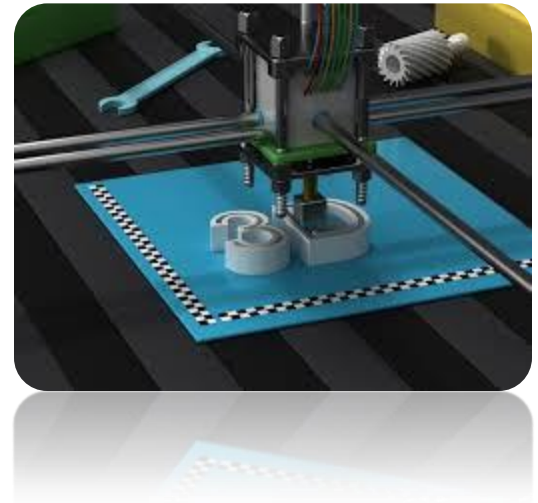
Breakdown of letters of Intent issued by sector:

Sector	Number
Ocean economy	20
ICT	25
Food processing (including bakery & pastry)	61
Manufacturing	106
Handicraft	13
Agri-Business	185
Recycling/Green	4
Total	414

Some 489 SMEs were trained in crafts and skills development courses including garment design, fashion jewellery, eco bag making and aquaponics among others.

2. 3-D Printing

The second 3D Printing Centre was launched at Coromandel on 28 March 2019 by the National Computer Board (NCB) in close collaboration with SME Mauritius with a view to supporting a wide range of industries, professions and academia, including SMEs, Start-ups, designers and university students in such fields as Medical, Engineering and Architecture.



3. TradeCom II Project

This Ministry in collaboration with the Ministry of Foreign Affairs, Regional Integration and International Trade (MoFA) has been actively involved in the implementation of the TradeCom II Project “Strengthening Export Competitiveness”. The project started in 2017 and was completed in March 2018. It aimed at contributing to sustainable economic development and poverty reduction in Mauritius through closer regional integration and increased participation in the global economy. It was mainly revolved around two main axes namely: Enhancing the business environment for Exporting SMEs and promoting exports of the Mauritius private sector including SMEs, Women and Young Entrepreneurs.

Some 32 enterprises that benefitted from the Trade Com II Project were selected in the following sectors: Apparel, Agro Industry, ICT, Jewellery, others (Handicraft, recycling and light engineering). The selected SMEs were empowered and guided to access external markets and abide to the principles of internationalisation through export.

A Memorandum of Understanding (MOU) was signed in October 2018 between three Mauritian organizations namely Business Mauritius, Association of Mauritian Manufacturers and SME Mauritius Ltd to ensure the sustainability of the TradeCom II Project.

Mauritius is now benefitting from technical assistance under TradeCom II Programme for another project entitled “Enhancing the business environment for exporting SMEs in Mauritius, especially in the context of the I-EPA implementation”. The overall objective is ‘to support the beneficial integration of the Mauritian economy into regional and global economies and, hence, contributing to sustainable economic development and poverty reduction.

4. Developing an Intellectual Property and Branding Strategy for Dodo Crafts

Mauritius has secured assistance from the World Intellectual Property Organisation (WIPO) to promote branding for our dodo handicrafts. The main objective of this project is to capture the intangible values associated with the distinctive characteristics of locally made dodo handicrafts. The project was officially launched during a National Workshop on Development and Implementation of a Branding Strategy in May 2019.

A series of consultative sessions through bilateral meetings and focus group discussions were held with key stakeholders for finalising the proposed brand.

SME Mauritius will be the leading and implementing agency for the finalization of the dodo brand.

5. Workfare Programme

The SME Registration Unit of the Ministry of Business, Enterprises and Cooperatives attend to the Laid Off Workers registered under the Workfare Programme which was initiated by Government to protect laid off workers in the difficult phase of their lives

by providing them financial relief and assistance in terms of job placement, training /re-skilling and starting up a business.

155 Laid Off Workers have reported at the SME Registration Unit for the period July 2018 to June 2019.

6. SME Excellence Award 2019



In line with its vision to foster entrepreneurship, this Ministry launched the SME Excellence Awards 2019, with a view to recognizing the achievements of Micro, Small and Medium Enterprises (MSMEs) to the adoption of best business practices leading to excellence in key business components such as: Business Growth and Financials, Productivity, Marketing, Export, Quality Assurance, Social Impacts and Benefits to the Society and Environment.

The objectives of the SME Excellence Awards 2019 are to:

- ✦ Encourage and reward the accomplishments and contributions of Micro, Small and Medium enterprises that has succeeded and excelled best practices and systems leading to business transformation;
- ✦ Enhance the competitiveness and productivity of the SME sector;
- ✦ Raise reputation of the winners locally and internationally;
- ✦ Use winners as role and business models for potential and existing entrepreneurs; and
- ✦ Enable SMEs to be looked upon as professional enterprises and thus attract a skilled and talented pool of employees.

A five (5) step evaluation procedure was used to assess the applications:



The Award ceremony was held on 26 July 2019 at Caudan Arts Centre, Le Caudan Waterfront, Port Louis.

7. Mauritius National Leather Value Chain Strategy (2019-2023)

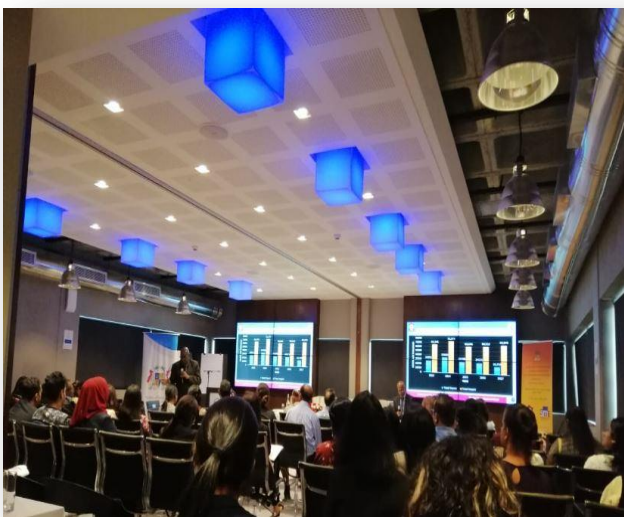
The National Leather Value Chain Strategy was formulated with the assistance of the African Leather and Leather Product Institute (ALLPI) following extensive consultations with key stakeholders in April 2018.

The Strategy aimed at revamping and revitalizing the Mauritian leather sector which has a huge potential for wealth generation, youth empowerment and employment creation.



The National Leather Value Chain Strategy's Vision and Mission statements and Strategic Objectives are as indicated below:

Vision: To be among the top ten subsectors in Mauritius with regard to competitiveness and export earnings by 2025.



Mission: To transform the Mauritius Leather Value Chain into a modern and competitive subsector specializing in the production of value-added products for niche markets through the application of modern and cleaner technologies, collaboration, capacity building and resource mobilization.

The Leather Strategy will serve as a roadmap for our local SMEs and eventually help to improve the leather value chain contribution to GDP, employment



creation, foreign currency earnings and have positive effects on other sectors such as transport and logistics, chemical, textile and other service providers. Following consultative meetings with various stakeholders, site visits at premises of SMEs and workshops in 2017, the ALLPI Consultants submitted a first draft of the Report on 26 July 2018 which was eventually forwarded to stakeholders concerned for their views and comments.

The seven Strategic objectives enumerated from the Report are as follows:



A second validation and unpacking workshop on the National Leather Value Chain Strategy was held on the 13th and 15th May 2019 whereby **7 key recommendations** were formulated.

We are now in the phase of embarking on the setting up of the Apex Body which will be constituted during the 1st Steering Committee at the level of the Ministry.

Upcoming Projects

1. Design Studio

In view of revamping and revitalizing the Mauritian Leather sector, BED has been entrusted with the responsibility to initiate a National Leather Value Chain Strategy. As part of this strategy, a Design Centre for Leather Products will be set up at Coromandel to provide assistance to SMEs on 3D technologies and the Centre will also dispense training for the region. It will act as a promoter of networks for supply chains through the setting up of specific industry clusters.

2. SME Observatory

Setting up of an SME Observatory is crucial for business success in this highly globalized age being given that SMEs represent nearly 99% of businesses in Mauritius. Businesses require speed in decision making, investment, production and delivery to the market to remain competitive and capitalise on opportunities. Effective policy making also require relevant and timely information. An SME Observatory is being set up at SME Mauritius for collection of information and data on new technology development, market trends, investment flows, economic trends of competitors, trade agreements, among others and ensure their timely dissemination to private sector stakeholders.

The SME Observatory will ensure a better coordination with different local and international agencies including governmental support institutions to gather, analyse and disseminate data through reports, periodicals, and newsletters.

Its main objectives are:

- i. Build data-collection capabilities and mechanisms for SMEs and entrepreneurship statistics including developing a National Entrepreneurship Index;
- ii. Set up an effective mechanism to monitor, evaluate and report on impact of policies and programmes; and
- iii. Feed the parent Ministry and Government with relevant data for evidence-based policy design and formulation.

Intelligence gathered by the SME Observatory will contribute to effective policy formulation and the development of appropriate support measures for the SMEs

Electronic Document Management System (eDMS)



BED took the bold decision to embark on the implementation of an innovative project namely the eDMS with a view to re-engineering, enhancing and fully computerizing its Registry system as well as enabling management of large volume of documents and streaming the flow of data across different Sections/Departments.

Consequently, Budget FY 2018/2019 provided an amount of Rs 3M for financing the project.

Embarking on the eDMS

eDMS is an enhanced computerized registry system, managing documents which are scanned and stored in a database. It is a software to automate the routing of documents on pre-defined process hierarchy which in turn streamline the flow of data across the Ministry.

Benefits



Seamless Document Sharing



Time Saving



Enhanced Security



Back up & Disaster Recovery



Cutting Cost



Easy Access



Environment Friendly

Status of implementation and the way forward

Phase 1	Launching and Evaluation of bids in July & October 2018 respectively
Phase 2	Contract awarded to Rogers Capital Technology Services Ltd in January 2019
Phase 3	Contract Agreement signed in February 2019
Phase 4	Setting up of project Steering Committee in February 2019 followed by technical meeting held between CIB, CISD & ITSU
Phase 5	Advanced payment of 20% effected in March 2019
Phase 6	Scanning of files & documents by Contractor started in April 2019
Phase 7	Prototype demonstration held on 4 June 2019 with all key users
Phase 8	Process Manual signed on 4 June 2019
Phase 9	Completion date: October 2019

Status on Implementation of Budget Measures

Table below gives an overview of the status on the different measures announced in the Budget Estimates 2018-2019:

S/N	Budget Para	Budget Measures	Status (indicating any bottleneck and remedial action taken)
1	Page No. 6 Para. 33	<p>In order to instill in our graduates an entrepreneurial spirit while supporting the development of our SMEs, the SME Employment Scheme which will target some 1,000 graduates, would be introduced as an unprecedented measure.</p> <p>Under this Scheme, the HRDC will pay each graduate a monthly stipend of Rs 14,000 over a period of two years of employment. The employer will pay the monthly travelling costs</p>	<p><u>Ongoing</u></p> <p>This Scheme helps to address a number of challenges relating to youth employment and the suitability of young graduates to the world of work where unemployed graduates are given placement opportunities to:</p> <ul style="list-style-type: none"> • develop their skills and competencies in a real world situation; and • assist SMEs in improving performance, productivity and innovativeness. <p>The management of this scheme has been entrusted to SME Mauritius, where the latter works in close collaboration with the HRDC to ensure its smooth and effective implementation.</p> <p>As at 30 June 2019, some 534 graduates were placed under the Scheme in Mauritius and 43 graduates in Rodrigues with disbursed amount of over Rs 18 M.</p> <p>It was noted that SME Mauritius faced difficulties in matching current competencies and talents to requirements of the job market and therefore, proposed to include diploma holders with qualifications relevant to the job market in the next budget.</p>

S/N	Budget Para	Budget Measures	Status (indicating any bottleneck and remedial action taken)
2	Page No. 31 Para. B.12.	<p>In view of encouraging the emergence of SMEs, the following additional measures, as recommended in the 10 - Year SME Master Plan, will be implemented:</p> <p>(a) a Certification Scheme will be introduced to provide technical assistance to SMEs and cooperatives for accreditation to international standards and certifications;</p>	<p><u>Ongoing</u></p> <p>The Scheme assists and encourages SMEs to have their products and services conformed to relevant national and international standards to enable them enter new markets as well as consolidate existing ones. As a result, this Scheme acts as an incentive for SMEs to increase their turnover by adopting relevant industry specific standards and eventually improve exportability in line with our export-oriented strategy.</p> <p>SME Mauritius is actually leading this Scheme in close collaboration with the Mauritius Standards Bureau (MSB) for the MS165 accreditation and eco-labelling.</p> <p>As at 30 June 2019, there were 64 beneficiaries of the said Scheme. Out of budgeted amount of Rs 3.5 M, Rs 618,293.00 has been disbursed.</p>
		<p>(b) an SME Productivity Improvement Programme will be launched to offer opportunities to SMEs to have access to technicians in order to review their operations for enhancing productivity and minimising waste;</p>	<p><u>Ongoing</u></p> <p>This program aims towards improving the internal systems and processes in SMEs to enhance their operations in an increasingly competitive and sustainable manner to:</p> <ul style="list-style-type: none"> • ensure a continuous improvement in processes and production; • minimize delays and wastes; • reduce costs; and • improve quality. <p>SME Mauritius is working in collaboration with the National Productivity and Competitiveness Council (NPCC) for the smooth implementation of both Phase I and Phase II of the project.</p> <p>As at 30 June 2019, some 26 beneficiaries benefited from this Scheme. Out of Rs 3 M earmarked in the Budget 2018-2019, Rs 440,000 has been disbursed.</p>

S/N	Budget Para	Budget Measures	Status (indicating any bottleneck and remedial action taken)
		(c) a Foreign Expertise and Technical Assistance Scheme will be set up to boost the Handicraft Sector. This will bring innovation in product development, design in order to remain competitive on the market; and	<p><u>Ongoing</u></p> <p>This Scheme is meant to boost up the handicraft sector to assist craftsmen and artisans to acquire knowledge on innovative product design and development, product range, product quality and creativity in order to enhance their uniqueness to gain a competitive edge on the market.</p> <p>In March/April 2019, foreign expert from India delivered training to trainers and entrepreneurs in Madhubani Painting under this Scheme where some 75 participants benefitted from same.</p> <p>Out of the Rs 2,000,000 earmarked for this Scheme, a total of Rs 1,114,591.95 has been disbursed for the financial year 2018-2019. Some 54 SMEs and trainers benefited under this Scheme.</p>
		(d) a National Entrepreneurship Campaign will be undertaken to bring a new dynamism to the sector and to disseminate information on SME products and services.	<p><u>Completed</u></p> <p>This Campaign was to bring in a new dynamism to the SME Sector and disseminate information on SME products and services.</p> <p>It had as main objectives to inculcate an entrepreneurial culture in our population, promote entrepreneurial activities, showcase innovative business models among the public and business community, and create new business linkages and investment opportunities. Over 2,000 potential entrepreneurs were targeted, whereby sensitization campaigns were programmed, including radio programmes slots on topics of interest to SMEs, workshops, talks and focused meetings.</p> <p>An amount of Rs 1,215,583 has been disbursed for this initiative out of Rs 2,000,000 as at 30 June 2019.</p>

Status of Implementation of Key Actions

Key Actions	Key Performance Indicator	Target (as per Budget Estimates)	Status as at 30 June 2019
Building Export Capabilities for SMEs	No. of SMEs successfully entering the export market	15	22
Assisting SMEs to professionalise their services and operations through Business Diagnosis Scheme(*now known as the Mentoring and Hand-Holding Programme)	No. of SMEs assisted	125	118
Assisting SMEs in technology upgrading	No. of SMEs assisted	80	82

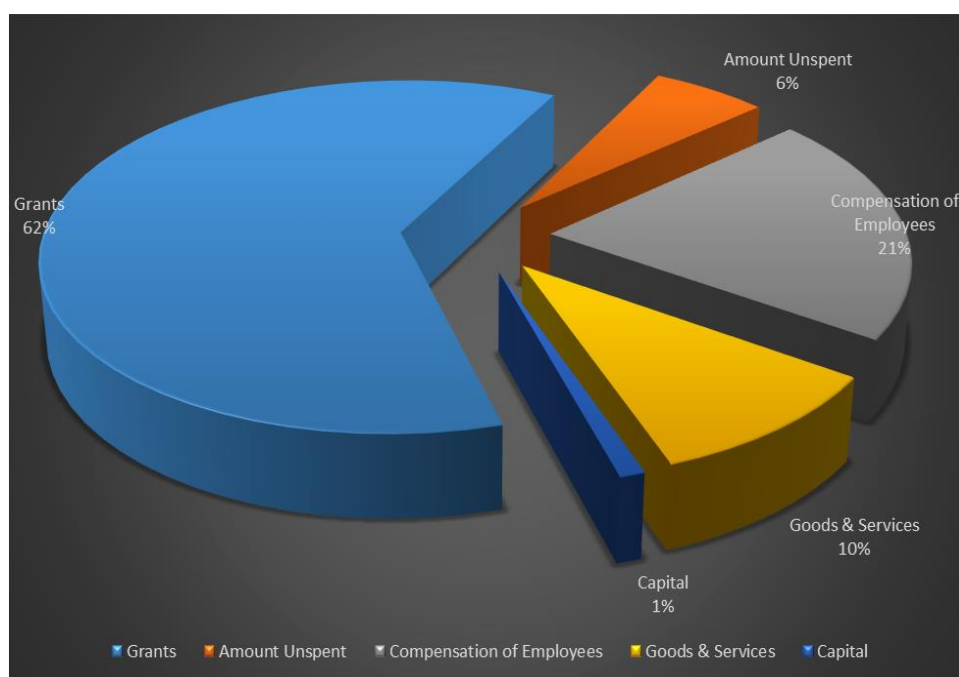
Financial Performance

In accordance with Budget Estimates 2018-2019, the Ministry of Business, Enterprise & Cooperatives (Business & Enterprise Division) had for the Financial Year 1 Vote under its control namely 18-1 but with 2 sub-heads; 18-101 and 18-102.

Appropriation of funds for the Division was made through these sub-heads of the Vote.

No revenue collection is carried out by the BED.

The figure below provides an illustration of expenditure incurred by BED under Vote 18-1.



Both the grants and compensation of employees component have shown an increase as a percentage of total expenditure namely by 11.3% and 11% respectively, while the amount unspent has shown a decrease of 28% as compared to last Financial Year.

Statement of Expenditure

The Statement of Expenditure has been prepared according to the data obtained from the Treasury Accounting System (TAS).

Table below provides a summary of total expenditure incurred by the BED under Vote 18-1 which includes Sub-Heads 18-101: General and 18-102: Business & Enterprise Development.

Statement of Expenditure under Vote 18-1

Sub-Head of Expenditure	2018/2019 Estimates (Rs)	2018/2019 Actual (Rs)
18-101: General	38,270,000	31,527,809
Compensation of Employees	17,625,000	15,927,809
Goods and Services	17,645,000	14,491,732
Capital Expenditure	3,000,000	1,054,928
18-102: Business and Enterprise Development	106,180,000	104,491,194
Compensation of Employees	16,180,000	14,491,194
	-	-
Grants (including operating cost and provision for SME Schemes)	90,000,000	90,000,000

Way Forward

BED identifying its major strengths and weaknesses, based on the practices and past experiences of the measures and programmes that have been undertaken to further boosting the Small Business Community.

S

W

O

T

- ◆ Solid foundation of a National Entrepreneurship Strategy through the 10-Year SME Master Plan
- ◆ Consolidated regulatory and Institutional Framework - SME Act 2017
- ◆ Well established and funded SME institutions
- ◆ Intensive sensitisation campaigns across the island, creating the right entrepreneurial mind and culture

- ◆ Lack of local expertise to launch new sectors of entrepreneurship
- ◆ Presence of information asymmetry leading to untapped facilities offered to entrepreneurs
- ◆ Paper-based office leading to bureaucracy
- ◆ Limited technical and R&D capabilities
- ◆ Predominance of subsistence entrepreneurship
- ◆ Persistence of the Informal Sector

- ◆ Several schemes/measures/programmes are being put at the disposal of SMEs
 - ◆ Specific training offered to SMEs by Foreign Experts in value addition products
 - ◆ Innovation-driven Economy
 - ◆ Production of genuine authentic Mauritian products on the overseas market
 - ◆ Operationalisation of the SME Portal
 - ◆ Different MoU's signed with strategic partners.

- ◆ Fierce competition faced by SMEs from imported products
- ◆ Vulnerability to external factors such as financial crisis, increase in oil prices and other raw materials
- ◆ Free Trade Agreements with SADC and COMESA
- ◆ Changes in Government Policies including fiscal and monetary
- ◆ Risk-averse Entrepreneurs

Strategic Direction

With a view to implementing the right strategies, BED launched the 10-Year SME Master Plan in 2017, in line with Vision 2030, which is meant to be a 'Game Changer' by building a dynamic entrepreneurial eco-system with SMEs emerging as key instruments in re-shaping the economic landscape of Mauritius. As such, the strategic directions of BED have been defined as follows:



BED, along with its strategic executive arms namely SME Mauritius and SME Registration Unit, is driven by those ambitious and definite vision to making SMEs the engine of growth with a view to position Mauritius as a High Income Economy.

To achieve the set targets in building a 'nation d'entrepreneurs', BED has already adopted an outcome-based approach through the following actionable strategies:



Implementation of a dozens of new schemes by SME Mauritius, all in line with the Master Plan which were formulated and launched in February/ December 2018 for the betterment and enhancement of our SMEs;



Sensitization Campaigns carried out by SME Mauritius with a view to bringing a new dynamism to the sector and disseminating information on SME products and services;



3 'Salon Des PMEs' organized by SME Mauritius to raise awareness about the savoir-faire of local SMEs and promote SME products to individual/corporate buyers as well as to visiting tourists;



Provision of demand-based training courses to cater for women and youth across the island by SME Mauritius on 3-D printing, Banana Fibre transformation, Madhubani Art painting and Aquaponics;



Launching of the SME Excellence Award 2019 with the objective of recognizing the achievements of Micro, Small and Medium Enterprises to the adoption of best business practices leading to excellence in business;



Formulation of a National Leather Value Chain Strategy with the assistance of the African Leather and Leather Product Institute (ALLPI) aiming at revamping and revitalizing the Mauritian leather sector which has a huge potential for wealth generation, youth empowerment and employment creation; and



Several MoU's being signed with both local and international stakeholders with a view to enhancing the SME Sector.



COOPERATIVES DIVISION

PART I: ABOUT THE COOPERATIVES DIVISION

Vision, Mission and Value Statement

Vision

A conducive legal and institutional framework for a rejuvenated, engendered and inclusive cooperative movement for the sustainability of a sound economic and social environment facilitating business development.

Mission

To facilitate the promotion of diversified, emerging and innovative cooperatives and involve more young persons and women in the development, consolidation and advancement of the cooperative movement.

Value Statement

We are committed to provide quality services to both our internal and external customers by continuously improving our systems and procedures and creating the necessary climate for sustainable development.

The Cooperatives Division aims at imparting quality and timely services with a high standard of professionalism, integrity, independence, objectiveness, trust and confidentiality.

ISO Certification

The Cooperatives Division is MS ISO 9001:2015 certified, ensuring a quality culture embodying customer focus, leadership, engagement of people, process approach, improvement, evidence-based decision making and relationship management.

Roles and Functions of the Cooperatives Division

Cooperatives are people-centred enterprises owned, controlled and run by and for their members to realise their common economic, social, and cultural needs and aspirations.

Cooperatives bring people together in a democratic and equal way. Whether the members are the customers, employees, users or residents, cooperatives are democratically managed by the '*one member, one vote*' rule. Members share equal voting rights regardless of the amount of capital they put into the enterprise.

As businesses driven by values, not just profit, cooperatives share internationally agreed principles and act together to build a better world through cooperation. Putting fairness, equality and social justice at the heart of the enterprise, cooperatives around the world are allowing people to work together to create sustainable enterprises that generate long-term jobs and prosperity.

The key functions of the Cooperatives Division are, inter alia:

- Provision of legal and institutional framework for cooperatives and cooperative development;
- Promote the cooperative model of doing business among the general public, especially among the youth and women;
- Registration of cooperative societies and encourage the formation of cooperatives in poverty regions and in non-traditional and emerging sectors;
- Ensure that cooperative societies are abiding to the new cooperative enactments;

- Facilitate access to market and finance for cooperatives;
- Encourage sustainable agriculture and sustainable use of the oceans among cooperatives;
- Empower and support cooperatives in their development process and in making use of information technology;
- Enhance the cooperative image of the Cooperative Sector;
- Monitoring and evaluation of the activities of cooperative societies;
- Develop a framework for the sound management of finances of cooperative societies and ensure implementation of their activities within their respective rules;
- Act as an arbitrator for settlement of disputes within societies;
- Audit of financial statements of cooperative societies;
- Support cooperative societies in the implementation of their projects;
- Operate incentive schemes for the benefit of cooperative societies;
- Provision of infrastructural facilities to cooperative societies; and
- Provision of education and training to the cooperators.

To achieve these objectives, an Action Plan 2015-2017, with the theme "Re-engineering the Cooperative Sector" laid the foundation pillars to uplift the Cooperative Movement. The Strategic Action Plan 2018-2020 "Propelling Cooperatives towards Excellence", further translates the Ministry's ambition to make cooperatives more visible. To achieve these targets, the Plan comprises twelve programmes, in line with the United Nations Sustainable Development Goals, which have for objectives:



- a) Greater contribution of the Cooperative Movement in the Mauritian economy;
- b) Adoption of sustainable agricultural practices;
- c) Enhanced managerial capacity and capability in cooperative societies;
- d) Gender equality and empowerment of women in cooperatives;
- e) Formation of cooperatives in non-traditional, emerging sectors and green business development;
- f) Computerisation of the cooperative sector;
- g) Product differentiation through Cooperative Branding;
- h) New legal framework for cooperatives (Cooperatives Act 2016);
- i) Increased access to finance through the Central Financing Agency;
- j) Market accessibility;
- k) Attracting young persons to join the cooperative movement; and
- l) A sustainable and prosperous fishing sector.

About Our People

The Senior Chief Executive is the administrative head of the Cooperatives Division whereas the Permanent Secretary is responsible for the overall administration and general supervision. He is assisted in his functions and duties by the Deputy Permanent Secretary, the Registrar, Cooperative Societies, the Secretary for Cooperative Development and the Principal Cooperative Auditor as well as officers from various cadres and classes. The technical arm of the Ministry consists of the Cooperative Societies Unit, the Cooperative Development Unit and the Cooperative Audit Unit.

Organisational Structure of the Cooperatives Division

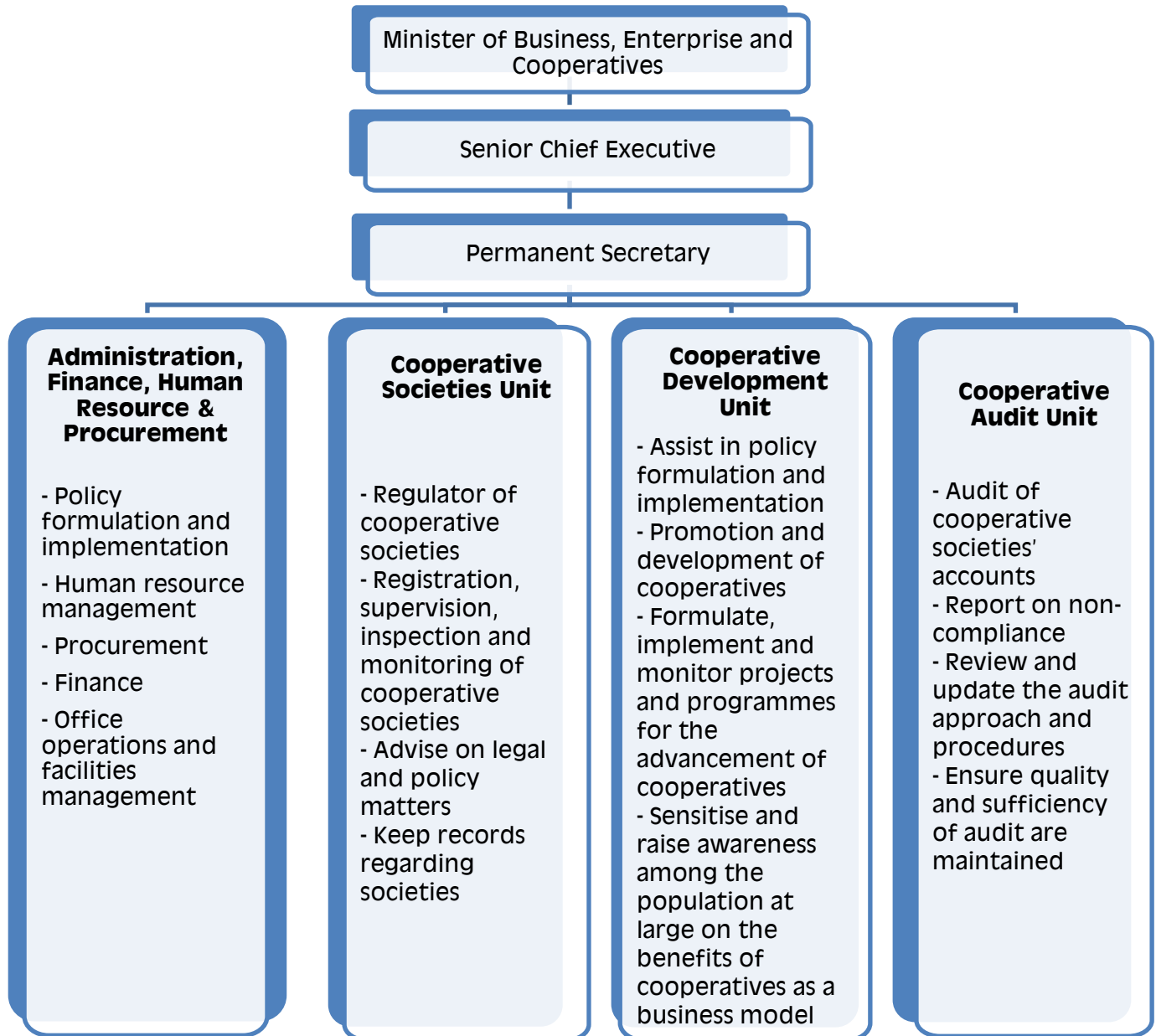


Figure 1: Organisational Structure

The Human Resources forming part of the administrative and technical cadres under the Cooperatives Division are shown in Figure 2 below.

Job Title	No. in Post
Permanent Secretary	1
Deputy Permanent Secretary	1
Assistant Permanent Secretary	2
Registrar, Cooperative Societies	1
Secretary for Cooperative Development	1*
Deputy Registrar of Cooperative Societies	1
Senior Cooperative Development Officer	3
Senior Cooperative Auditor	3
Cooperative Auditor	8
Cooperative Development Officer	7
Divisional Cooperative Officer	2
Principal Cooperative Officer	15
Senior Cooperative Officer	14
Cooperative Officer	13
Human Resource Cadre	2
Finance Cadre	4
Procurement & Supply Cadre	2
Assistant Systems Analyst	1
General Services Staff	72
Statistics Cadre	3
TOTAL	156

Figure 2: Human Resources

*On leave without pay

ORGANISATIONAL CHART – COOPERATIVES DIVISION

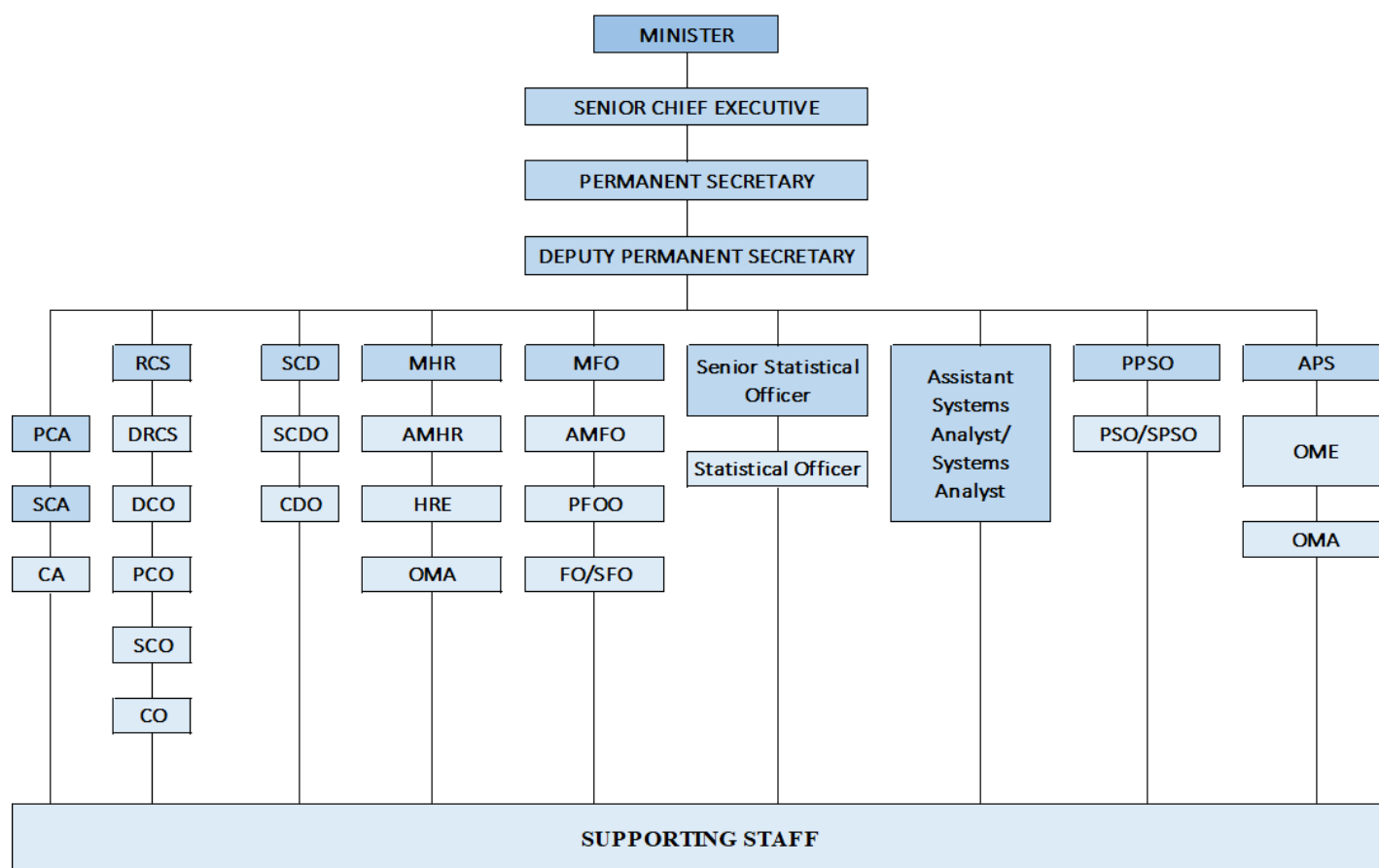


Figure 3: Organisational Chart

Note:

AMFO	- Assistant Manager, Financial Operations	OMA	- Office Management Assistant
AMHR	- Assistant Manager, Human Resources	OME	- Office Management Executive
APS	- Assistant Permanent Secretary	PCA	- Principal Cooperative Auditor
CA	- Cooperative Auditor	PCO	- Principal Cooperative Officer
CDO	- Cooperative Development Officer	PFOO	- Principal Financial Operations Officer
CO	- Cooperative Officer	PPSO	- Principal Procurement & Supply Officer
DCO	- Divisional Cooperative Officer	PSO/SPSO	- Procurement & Supply Officer/Senior Procurement & Supply Officer
DRCS	- Deputy Registrar of Cooperative Societies	RCS	- Registrar, Cooperative Societies
FO/SFO	- Financial Officer/Senior Financial Officer	SCA	- Senior Cooperative Auditor
HRE	- Human Resource Executive	SCD	- Secretary for Cooperative Development
MFO	- Manager, Financial Operations	SCDO	- Senior Cooperative Development Officer
MHR	- Manager, Human Resources	SCO	- Senior Cooperative Officer

Statutory Bodies under the aegis of the Cooperatives Division

Cooperative Development Advisory Board

The Cooperative Development Advisory Board is established under section 102 of the Cooperatives Act 2016. Its objects and functions are to:

- a) Promote development and sustainability of the cooperative sector;
- b) Carry out research and commission studies on cooperative business sectors and related fields; and
- c) Formulate national policies and strategies.

Cooperative Development Fund

The Cooperative Development Fund (CDF) which is established under section 116 of the Cooperatives Act 2016 comprises money payable, including any fees, charges and surcharges, any surplus arising on the liquidation of a society, grants and donations. The objects of the fund are the:

- a) Promotion and development of cooperatives;
- b) Implementation of projects namely education, training, research, consultancy and other related activities aiming at the development of the cooperative sector; and
- c) Financial assistance/incentives to cooperative societies.

National Cooperative College

The National Cooperative College established under section 103 of the Cooperatives Act 2016 is a body corporate with the objects to, inter alia, provide facilities and engage in research and training for the promotion and development of cooperative entrepreneurship, philosophy, principles and values and to act as a centre for the consolidation and development of the cooperative movement. It provides vocational and educational training through MQA approved courses.

St. Antoine Planters Cooperative Trust

Following the closure of the St. Antoine Sugar Factory, the St. Antoine Planters Cooperative Trust (SAPCT) was set up by an Act of Parliament in the year 1994 with the objective of assisting sugarcane planters cultivating not more than 6.5 hectares of land falling within the Factory Area of the former St. Antoine Sugar Factory. The SAPCT operates various loan and grant schemes for planters/cooperative societies cultivating sugar cane within that Factory Area.

Gender Statement

Active participation of both men and women in the economy is central to the achievement of socio-economic development. Gender mainstreaming has been adopted as a strategy to achieving gender equality. Women have been instrumental in bringing about economic and social changes to our country. Cooperatives, as democratic, member-run and member-financed self-help enterprises have a great potential in contributing to the improvement of the economic and social conditions of women.

Cooperatives provide a supportive environment for new entrepreneurs including women, give them confidence and harness their skills and potential. Cooperatives also help in strengthening women's economic capacity and establishing commercial networks for them to operate in a more professional way. Further, cooperatives promote the women empowerment process.

The Cooperatives Division of the Ministry is providing various support services for the promotion and development of women in cooperatives. These include *inter alia*:

- Education and training to women cooperators;
- Capacity building projects for women cooperatives;
- Assistance to women cooperative societies in marketing their products;
- Support to women cooperatives through financial assistance;
- Technical and financial assistance to the Mauritius Women Entrepreneurs Cooperative Federation Ltd to implement development projects for women cooperators such as operation of a Tailor Shop, a Craft shop and a shop for the sale of products manufactured by women cooperators; and
- Grants to cooperatives for procurement of equipment for Gender mainstreaming enabling them to tap their full potential.

Further, one of the Programmes of the Strategic Action Plan of the Ministry aims at gender equality and empowerment of women in cooperatives.

At present, there are about 59 active women cooperative societies and a women cooperative federation namely the Mauritius Women Entrepreneurs Cooperative Federation Ltd. The Federation was set up in June 2007 with the main objective of providing necessary assistance/support to women grouped in cooperatives, undertaking various activities for enhancing the economic and social welfare of women and promoting the development of women cooperatives.

Senior Management Team

TITLE	CONTACT DETAILS
Permanent Secretary	Mr Chettandeo Bhugun Tel: 405 0761 Fax: 211 1625 Email: cbhugun@govmu.org
Deputy Permanent Secretary	Mr Swaraj Ramasawmy Tel: 405 0773 Fax: 208 1822 Email: swrasawmy@govmu.org
Registrar, Cooperative Societies	Mr Louis Mario Monvoisin Tel: 208 5318 Fax: 208 5318 Email: lmovoisin@govmu.org
Ag. Secretary for Cooperative Development	Mr Devanand Sobnath Tel: 211 1312 Fax: 211 1312 Email: dsobnath@govmu.org
Ag. Principal Cooperative Auditor	Mrs Jothykhabye Luximun Tel: 405 0770 Fax: 208 9263 Email: jluximun@govmu.org

Figure 4: Senior Management Team

PART II: MINISTRY OF BUSINESS, ENTERPRISE AND COOPERATIVES (COOPERATIVES DIVISION)

Achievements and Challenges

Diversification and transformation are high on the agenda of the Cooperatives Division. The cooperative sector no longer concentrates solely on sugar cane as it did when the first society was created in 1913. Today, we have moved from sugar to tea, livestock, transport, construction, fisheries, vegetable production, green project and many others. The Cooperatives Division e-Registration Project is now completed and will be used to further transform the sector.

During the financial year 2018/2019, this Division has successfully met quite a few challenges in the implementation of projects, programmes and activities. The effective transformation of the cooperative sector is on and we humbly wish to give the cooperative societies a better service.



Cooperative Societies

Structure of the Cooperative Movement

The Cooperative Movement in the Republic of Mauritius is organised on a three-tier structure:

1. Tertiary level

The Mauritius Cooperative Alliance Ltd, which was registered on 01 July 2016, acts as the apex body and the mouthpiece of the movement.

2. Secondary Level

At the secondary level, primary cooperative societies are grouped into 18 federations known as secondary societies.

3. Primary Level

At the primary level, 653 cooperative societies, grouping individual members on a single purpose and/or single commodity basis, were active in the year 2018 as compared to 882 in 2017, showing a decrease of around 26 %. The highest number of active societies was recorded in the year 2016 with a total of 996 cooperative societies. Multi-purpose cooperatives are now being encouraged.

Cooperative societies are categorised as follows:

- a) Agriculture, farming and fishing
- b) Consumer and retail trade
- c) Financial services
- d) General society
- e) Manufacturing and food
- f) Production
- g) Marketing and supply
- h) Multi-purpose
- i) Social and service



Island of Mauritius - Active Primary Cooperative Societies

Primary Cooperative Societies Sector	Number of Societies		
	2016	2017	2018
Agricultural & Support Services	638	571	378
<i>of which</i>			
CCS (sugar sector)	140	137	123
Consumer Services	21	22	18
Savings & Credit	159	148	148
Other Sectors	178	141	109
<i>of which</i>			
Bus Owners	16	17	17
Handicraft	9	4	3
Women Entrepreneur	91	65	50
All Sectors	996	882	653

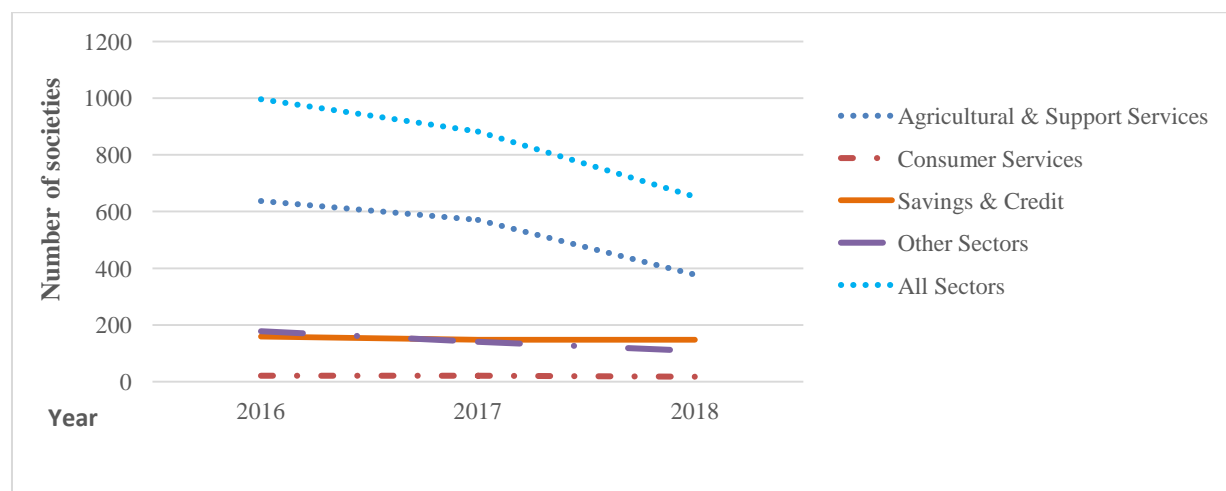


Figure 5: Number of active societies in Mauritius
Source: Statistics Unit, Cooperatives Division (03.10.2019)

Trend Analysis - Active Primary Cooperative Societies, Island of Mauritius

The Agricultural and Support Services sector has decreased gradually from 638 Cooperative societies in 2016 to 378 in 2018. This shows a decrease of around 41%. Most of the Agricultural and Support Services sector are either dormant, under inquiry or under liquidation.

The Savings and Credits sector has also seen a slight decrease as compared to the year 2016.

The Consumer Services sector has known a constant decrease in the number of active societies throughout the years due to the fierce competition from hypermarkets. Moreover, the sugar sector comprising Cooperative Credit Societies has experienced a fall of around 10% from 2017 to 2018.

Cooperative Societies – Rodrigues

The Cooperative Movement has over the years played a vital role in the upliftment of the quality of life in Rodrigues. With time, the movement expanded to various fields of economic activities.

Cooperators in Rodrigues have successfully assimilated the cooperative way of doing business and presently occupy a prominent position in the economy of Rodrigues, particularly in the following sectors:

- a. Livestock
- b. Food Production
- c. Savings & Credit Unions
- d. Fishing
- e. Women Entrepreneur



Cooperative societies are also involved in other sectors like bee-keeping, housing, mixed farming, poultry, other agricultural sector, transport, and handicraft.

Secondary Cooperative Societies – Island of Rodrigues

There were 4 active secondary cooperative societies in the Island of Rodrigues, regrouping 34 primary societies namely:

- a) Federation des Associations Cooperative des Eleveurs de Rodrigues Ltd
- b) Rodrigues Agricultural Marketing Cooperative Federation
- c) Rodrigues Offshore Fishermen Cooperative Federation Ltd
- d) The Agro Cooperative Federation Ltd.

Island of Rodrigues - Active Primary Cooperative Societies

Primary Cooperative Societies Sector	Number of Societies		
	2016	2017	2018
Agricultural & Support Services	25	30	34
<i>Savings & Credit</i>	4	4	4
<i>Other Sectors</i>	34	30	26
All Sectors	63	64	64

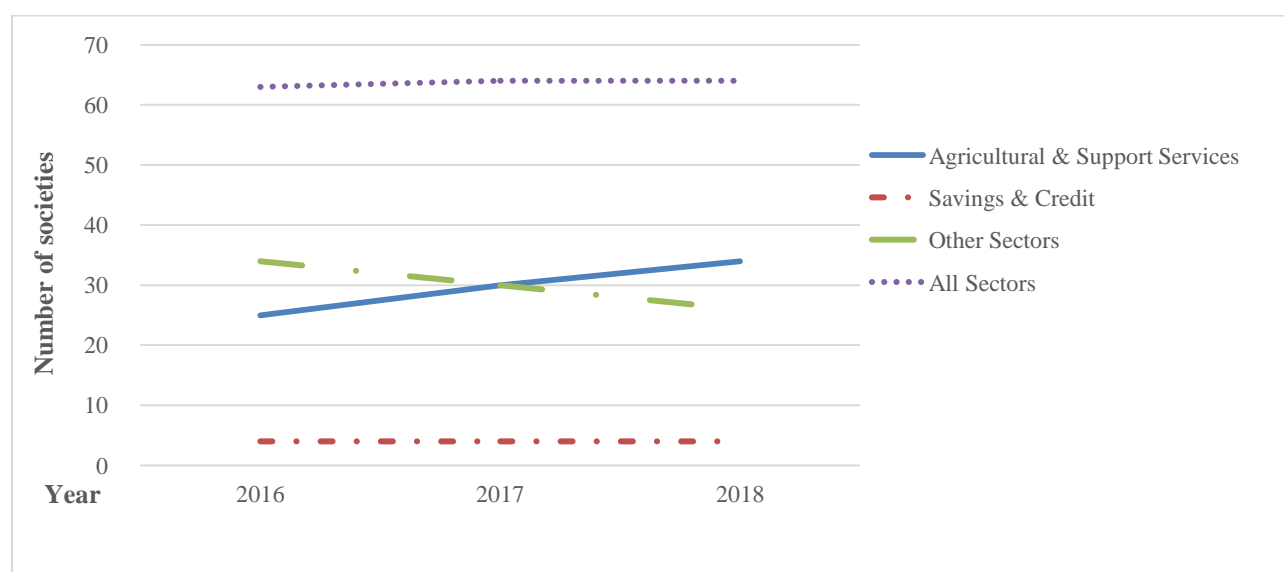


Figure 6: Number of active societies in Rodrigues
Source: Statistics Unit, Cooperatives Division (03.10.2019)

Trend Analysis - Active Primary Cooperative Societies, Island of Rodrigues

The Island of Rodrigues has 64 active Cooperative societies for the year 2018 as compared to 63 in 2016. There is an increase of 36% for the year 2018 in the Agricultural and Support Services sector as compared to 2016.

Republic of Mauritius - Active Primary Cooperative Societies

Sector of Primary Cooperative Societies	Number of Societies		
	2016	2017	2018
Agricultural & Support Services	663	601	412
<i>Consumer Services</i>	21	22	18
<i>Savings & Credit</i>	163	152	152
Other Sectors	212	171	135
All Sectors	1059	946	717

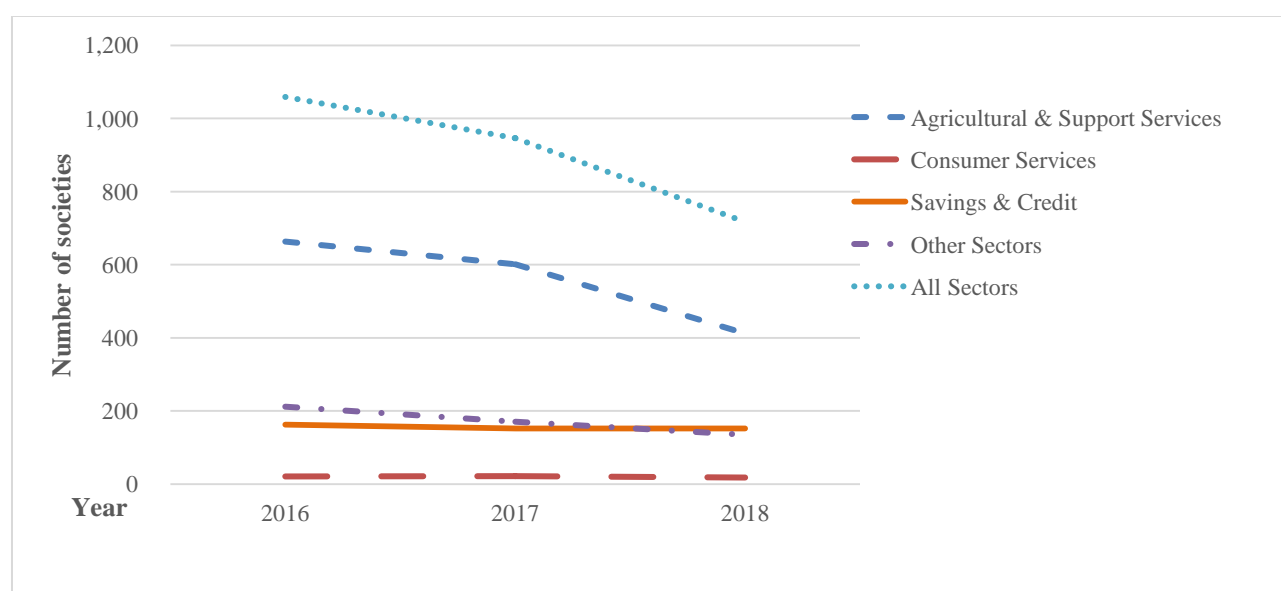


Figure 7: Number of active societies in the Republic of Mauritius
Source: Statistics Unit, Cooperatives Division (03.10.2019)

Trend Analysis - Active Primary Cooperative Societies, Republic of Mauritius

The above Figure shows that there were 717 active cooperative societies in the Republic of Mauritius for the year 2018 as compared to 1059 in 2016, representing a decrease of around 32%. The number of active cooperative societies is declining due to several pertinent issues such as a number of societies being dormant, under inquiry and liquidation.

Turnover for the sector decreased from Rs 4.1 billion in 2016 to Rs 3.3 billion in 2017. The year 2018 witnessed a slight increase to Rs 3.4 billion.

Registration of cooperative societies

70 applications for registration of cooperative societies in various classes were received at the Registration Section. Out of the 70 applications, 60 were registered during the period ending 30 June 2019. 4 were registered during the month of July 2019 and the remaining are kept in abeyance in view of absence of appropriate documents from applicants.

Arbitration/Inquiry/Liquidation

Arbitration

Arbitration is a form of alternative dispute resolution (ADR) to resolve disputes outside the courts. The dispute is decided by one or more arbitrators who make(s) an "arbitration award". An arbitration award is legally binding on both sides and enforceable in the courts.

The Cooperatives Act makes provision for disputes within a society to be settled by arbitration. Arbitrators are appointed by the Registrar, Cooperative Societies. 152 cases regarding disputes totaling an approximate amount of Rs 9.0 million were heard. 150 awards were made.

Inquiry

Inspectors were appointed to inquire into non-compliance and other issues in 420 societies. 343 inquiries were completed and action initiated accordingly thereafter.

Liquidation

Liquidators were appointed for 149 societies bringing the total number of societies under liquidation to 305. 248 of the societies were in Mauritius whereas the remaining 57 were in Rodrigues. 27 Notices for closure were published and liquidation in such cases is effective after one year.

Online Inscription and Erasure of Charges

In September 2017, the Registrar-General's Department implemented the Mauritius e-Registry Project (MeRP). As such, charges in favour of cooperative societies are inscribed and erased online.

The figure below gives a detailed view of charges inscribed and erased for the year under review.

Charges	Number
Inscriptions	37
Erasures	82
Total	119

Figure 8: Charges inscribed and erased during the year

Complaints Handling

The following figure provides a detailed view of complaints handled during the year ended 30 June 2019.

	Citizen Support Portal	Head Office	Regional Cooperative Centres	TOTAL
July	5	2	2	9
August	-	3	2	5
September	2	4	7	13
October	2	-	3	5
November	2	2	1	5
December	1	2	-	3
January	1	3	2	6
February	1	4	3	8
March	4	4	2	10
April	2	4	4	10
May	1	1	-	2
June	2	2	5	9
Total	23	31	31	85

Figure 9: Complaints handled during the year

Major Achievements

In August 2018, the National Cooperative College (NCC) was inaugurated at Bois Marchand. The College has started training in MQA approved courses to cooperators.



4950 persons were trained and sensitised by the College as follows:

Training/Sensitisation Programmes	Number of participants
Vocational	3097
Capacity Building	409
Sensitisation (Secondary schools)	1043
Workshops (Cooperators)	401
TOTAL	4950

Figure 10: Training and Sensitisation by NCC during the year

The Cooperatives Division e-Registration Portal (CDERP) is operational and enables:

- Online applications;
- Online payments; and
- Submission of financial accounts.

In February 2019, in line with the recommendations of the Commission on Truth and Justice, the Division launched the L'Amitie CCU.

In March 2019, 12 fishermen cooperative societies received letters of intent in respect of a grant to purchase outboard motors and fishing nets. All of them have already effected the purchase.

On its part, the Cooperative Development Fund has launched 8 new schemes for a sum of about Rs 2 million in July 2019. The schemes concern youth, women, fishermen, submission of accounts through e-filing, preparation of accounts, renovation of cooperative shops and water tanks for Rodrigues.

To further its gender mainstreaming projects, a forum for women cooperators was held in collaboration with the Mauritius Women Entrepreneurs Cooperative Federation Ltd in April 2019.

The Top 100 magazine for 2018 was launched in July 2019. This magazine highlights the best 100 cooperative societies in the Republic of Mauritius.

In October 2018, a refrigerated lorry, costing Rs 3.2 million, was donated to the Mauritius Fishermen Cooperative Federation. The lorry is being used for the handling, transport and storage of fish and fish products under strict hygienic conditions.

Cooperative societies are being encouraged to diversify and invest in green energy and sustainable development. In this context, a grant of Rs 235,000 was disbursed for the installation of solar photovoltaic panels at 3 societies. An additional sum of Rs 1.1m has been transferred to CEB (Green Energy) Co Ltd for 19 other societies.



The Division has established international links and cooperation with organisations and countries for technical and financial assistance. The African Asian Rural Development Organisation provided the services of an international expert who conducted a one-week training session in ornamental fish breeding.

with the Ministry of Ocean Economy, Marine Resources, Fisheries and Shipping at the Albion Fisheries Research Centre.

The training session was held in September 2018, in collaboration



The second National Awards for Cooperatives which was held in November 2018 at the National Cooperative College witnessed the participation of 269 societies. The objective of the competition is to promote best practices, encourage good governance, and alleviate poverty, empower young people and women with the determined view to inspire the cooperative movement to further contribute towards the

achievement of the sustainable development goals. A total of Rs 385,000 was awarded to winners in 119 different categories.



To enhance market accessibility of cooperative products, one national and three regional market fairs were organised. In addition, more than 50 fairs were held locally. These were beneficial to around 4,000 cooperators from 300 societies.

The annual International Day of Cooperatives, with the theme "Sustainable societies through cooperation" was celebrated on Saturday 7 July 2018 at the Paul Octave Wiéhé Auditorium, Reduit. This national event witnessed the gathering of some 2,000 cooperators.



A workshop was held in the context of the International Credit Union Day in October 2018 at the National Cooperative College, Terre Rouge. Representatives of more than 150 societies attended the workshop, which had as theme "find your platinum lining in credit unions".



Status on Implementation of Budget Measures

	Budget measure	Status
Paragraph 75	Introduce a grant of 60 percent of the cost of acquisition of outboard engines and fishing nets, by fishermen cooperatives, up to a maximum of Rs 60,000.	Completed. 12 societies have benefited from the grant for purchase of outboard engines and fishing nets. One society has used the grant to buy fishing nets.

Figure 11: Budget Measures

Status on Implementation of Key Actions

Key Action	Key Performance Indicator	Target	Status
Promoting the culture of cooperative entrepreneurship	Number of cooperators trained (training courses, sensitization campaigns and workshops)	4700	4950

Figure 12: Key Performance Indicators – Budget

Risk Management, Citizen Oriented Initiatives & Good Governance

The Permanent Secretary is responsible for the exercising care, skill and diligence in identifying, assessing and monitoring risks.

The system of internal audit at Cooperatives Division is designed to provide reasonable assurance regarding:

- a) The effectiveness and efficiency of operations in the Department;
- b) Safeguard of assets and data of the Department;
- c) Reliability of financial and non-financial reporting;
- d) Prevention of fraud and irregularities; and
- e) Compliance with applicable laws, regulations and instructions as well as policies and established procedures.

An Audit Committee is also established with the responsibilities of assisting and advising the Accounting Officer/Supervising Officer in respect of:

- (a) Monitoring and reviewing both the risk control and governance processes in the organization;
- (b) Supervision of the entire audit and reporting process;
- (c) Ensuring auditor independence;
- (d) Ensuring that proper and timely attention is paid to control issues and compliance weaknesses; and
- (e) Ensuring that Audit recommendations and other corrective actions are implemented.

Implementation Plan - Director of Audit Comments

The Report of the Director of Audit highlighted considerable delay in the operationalization of the CDeRP.

Issues	DOA Comments	Proposed measures	Status of Actions taken/Implementation Date
Cooperatives Division e-Registration Project (CDeRP) (para 14.1)	<i>Use of Software</i> (para 14.1.1) Software delivered with a delay of ten months.	Contractor urged to complete the project and penalties applied.	2 nd commissioning exercise was held on 29 August 2019. Out of 22 issues, 18 have been cleared while the remaining 4 are being resolved by the service provider.
	<i>Use of Hardware Acquired</i> (para 14.1.2) Computers at RCC and training centres were not being optimally used. <i>Training</i> <i>(para 14.1.3)</i> Manual system was still being used by the Cooperatives Division.	Training of Trainers completed.	Bookkeepers and secretaries encouraged to avail of training facilities through RCCs and Cooperative ICT Centres.

Figure 13: Audit Report – Implementation Plan

PART III: Financial Performance

Financial Highlights, Analysis of Major Changes and Statement of Expenditure

Head/Sub-Head of Expenditure	2017/18 Actual (Rs)	2018/19 Estimates (Rs)	2018/19 Actual (Rs)
18-103: Cooperatives Development			
Compensation of Employees	69,194,135	76,335,000	72,084,633
Goods and Services	17,411,645	20,720,000	18,726,448
Grants	6,211,715	8,735,000	8,862,911
Other Expense	5,387,000	5,910,000	5,737,500
Acquisition of Non-Financial Assets	22,909,018	14,350,000	8,169,813
TOTAL	121,113,513	126,050,000	113,581,305

Figure 14: Summary of Expenditure

Cooperative Development Fund

The Cooperative Development Fund (CDF), established under section 116 of the Cooperatives Act 2016, comprises money payable, including any fees, charges and surcharges, any surplus arising on the liquidation of a society, grants and donations for the promotion and development of cooperatives. Rs 8.2 million was collected and Rs 10 million was disbursed in respect of implementation of various schemes.

PART IV: Way Forward

Trends and Challenges

An Environmental Analysis, highlighting the SWOT model, has been carried out to explore both the internal and external factors influencing the operations of the Cooperatives Division, as highlighted below.

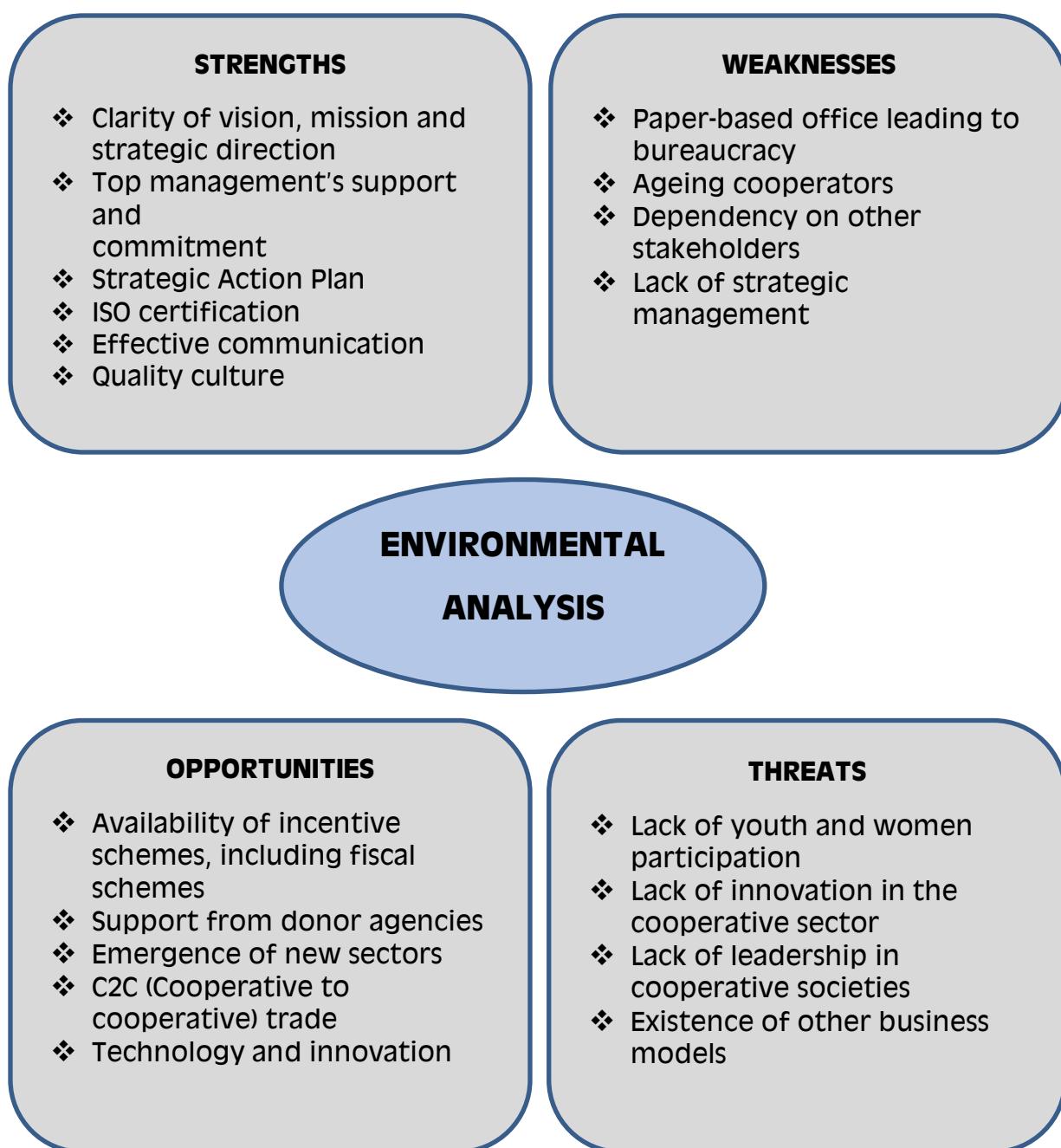


Figure 15: Environmental Analysis

Strategic Direction

The strategic direction of the Cooperatives Division is to diversify and transform the cooperative sector, in order to keep it abreast of changes in the society. This will undeniably lead to an improvement in the standard of living of the whole population and contribute to the economic and social growth of the country. Cooperatives play a major role across almost all sectors of the economy. Dedicated, dynamic and proactive staff, capable of taking initiatives and decisions, is sine qua non for the achievement of such objectives and to bring the cooperative sector to new heights.

There is a serious need to review the strategies and methods of managing the sector. Indeed, a number of issues should be addressed, amongst others:

- ❖ Re-orientation of capacity building programmes to cater for the core needs of cooperators;
- ❖ Review the traditional cooperative business model;
- ❖ Develop apposite marketing strategies for enhanced market accessibility;
- ❖ Engage cooperatives in novel and emerging sectors;
- ❖ Create conducive environment for attracting youth and women to the cooperative movement;
- ❖ Take optimum advantage of information and communication technology; and
- ❖ Increased visibility and involvement on the international scene.

List of Figures

	PAGE NUMBER
Figure 1 Organisational Structure	47
Figure 2 Human Resources	48
Figure 3 Organisational Chart	49
Figure 4 Senior Management Team	52
Figure 5 Number of active societies in Mauritius	55
Figure 6 Number of active societies in Rodrigues	57
Figure 7 Number of active societies in the Republic of Mauritius	58
Figure 8 Charges inscribed and erased during the year	60
Figure 9 Complaints handled during the year	60
Figure 10 Training and sensitisation by NCC during the year	61
Figure 11 Budget Measures	65
Figure 12 Key Performance Indicators - Budget	65
Figure 13 Audit Report – Implementation Plan	66
Figure 14 Summary of expenditure	67
Figure 15 Environmental Analysis	68

Contact Us

Ministry of Business, Enterprise and Cooperatives

Business and Enterprise Division

Level 16, Newton Tower

Sir William Newton Street, Port Louis

Tel : +230 405 3100

Fax : +230 213 9176

Email : mbe@govmu.org

Cooperatives Division

3rd Floor, LIC Centre

President John Kennedy Street

Port Louis

Tel : +230 405 0770

Fax : +230 208 9263

Email : pscoop@govmu.org

