

REPORT ON THE BENCHMARK VISIT TO PORT LOUIS, MAURITIUS

BY THE

PARLIAMENTARY STANDING COMMITTEE ON ECONOMICS AND PUBLIC ADMINISTRATION

FROM 15-19 MAY 2023

Contents

1.	1. BA		KGROUND AND INTRODUCTION	2
2. M		MET	HODOLOGY	3
3. PU		PUR	POSE OF THE REPORT	3
4. C		COM	IPOSITION OF THE DELEGATION	3
5.			RTESY CALL ON THE SPEAKER OF THE NATIONAL ASSEMBLY OF MAURITIUS, HON.	4
6.		OVE	RVIEW OF MEETINGS:	4
	6.1	1	National Assembly of Mauritius:	4
	6.2	2	Economic Development Board:	6
	6.3		Ministry of Industrial Development, SMEs, and Cooperatives:	7
	6.4		Ministry of Social Integration, Social Security, and National Solidarity:	8
	6.5		Ministry of Blue Economy, Marine Resources, Fisheries, and Shipping:	9
	6.6	6	Ministry of National Infrastructure and Community Development:	9
7.		Key I	Learnings and Takeaways:	10
	7.	1	Economic Growth Strategies:	10
	7.2	2	SME Support and Cooperatives:	11
	7.3	3	Social Welfare Systems	12
	7.4		Blue Economy and Marine Resources Management:	12
	7.5	5	Infrastructure Development and Community Building:	13
8.		CON	CLUSION:	13
9.		REC	OMMENDATIONS	13
10	10. MEMBERS' SIGNATURES			

1. BACKGROUND AND INTRODUCTION

The Parliamentary Standing Committee on Economics and Public Administration has a constitutional mandate to exercise oversight on the work of the Executive, which amongst others, includes the planning and implementation of Vision 2030.

Vision 2030 is considered a process rather than a fixed plan making it an adaptive, dynamic system or process that can continuously improve. The Vision is "A prosperous and industrialized Namibia, developed by her human resources, enjoying peace, harmony and political stability ."The Industrialization agenda is even more critical now with the world transition into 4th revolution. How the Government's 4th revolution complements the existing program to realize Vision 2030 is crucial in all government sectors and citizens.

In that regard, the Committee held a Workshop with all relevant stakeholders to understand Vision 2030 and the National Development Plans, including the targets and strategies from the different NDPs to NDP5 and HPP I and II. They were presented with data on implementation outcomes and well-informed critique of the processes and procedures and current achievements, as well as projected pathways to complete the course of the Vision.

During the Workshop, various issues were highlighted as challenges for the effective implementation of the national development programs, such as the slowdown and stagnated economy since 2015; poor progress in manufacturing. Regarding industrialization and trade enhancement, the hampering factors were identified as outdated laws and regulations, lack of forward and backward linkages between economic sectors, inadequate coordinated planning and implementation for joint projects, fragmented business support programs, and inadequate tax and non-tax-based investment support.

On the contrary, Namibia's natural resources base is highly relevant for the industrial development agenda. Thus the demand to chart an inclusive growth agenda, and for that to work, there was a need for a substantial overhaul of Namibia's educational and development systems. In particular, the vocational and technical training and disparity between rural and urban schools need urgent resolutions to produce quality human resources necessary for industrialization and quality of life.

Given the understanding that the informal sector made many economies flourish. During the Workshop, it was stated that development would immensely contribute to minimizing the rural-urban dichotomy for the Government to improve and capacitate the Small and Medium Enterprises (SMEs).

Realizing that the Industrialization agenda under the Vision and associated plans are very complex and also to regularly and continuously build capacity for MPs to Strengthen Parliamentary Committees for effective oversight, the Standing Committee resolved to undertake a benchmarking/study visit to Mauritius as one of the countries that are comparatively ranked high in terms of economic growth and competitiveness, industrial performance and ease of doing business to learn from their achievements and also to gain an understanding of how they have successfully implemented their industrial development programs.

Against that background, the Committee nominated five Members of the Committee on Economics and Public Administration and two Support Staff to undertake a benchmarking/study visit to Port Louis, Mauritius, from 15-19 May 2023.

The purpose of the benchmark visit was for the delegation to gain an in-depth understanding of how to effectively support the Executive in implementing industrial programs and ensure that the Executive is kept in check. Lastly, to propose policy change to assist Namibia in meeting its Vision of a prosperous and industrialized Nation by 2030.

2. METHODOLOGY

The Namibian delegation had briefing meetings with Ministers and key officials within government ministries and the Economic Development Board of Mauritius.

PURPOSE OF THE REPORT

The Report aims to inform the National Assembly about the findings of the benchmark visit by the Parliamentary Standing Committee on Economics and Public Administration for consideration and adoption of the recommendations.

4. COMPOSITION OF THE DELEGATION

The delegation comprised Hon. Mathias Mbundu as Head of the Delegation, Hon. Helalia Mukapuli, Hon. Reginald Raymond Diergaardt, Hon. Johanna Kandjimi, and Hon. Maria Sirombo Kamutali, Ms. Annalisa Meroro, and Ms. Brigitte Fikunawa.

5. COURTESY CALL ON THE SPEAKER OF THE NATIONAL ASSEMBLY OF MAURITIUS, HON, SOOROOJDEV PHOKEER



The delegation paid a courtesy call on the Speaker of the National Assembly, Hon. Sooroojdev Phokeer, who welcomed them wholeheartedly to the National Assembly and Mauritius in general. He also appreciated the delegation's chosen Mauritius for their benchmark experience and wished them fruitful deliberations with the ministries and other institutions identified according to the program.

6. OVERVIEW OF MEETINGS:

During the benchmarking visit, the Namibian delegation had an opportunity to engage with critical organizations and ministries in Mauritius. The following is an overview of the meetings held:

6.1 NATIONAL ASSEMBLY OF MAURITIUS:

The Namibian delegation met with representatives from the National Assembly of Mauritius to discuss legislative processes, oversight mechanisms, and the legislature's role in promoting good governance. The exchange of ideas and experiences provided valuable insights into the Legislative system of Mauritius as follows:

Mauritius follows a unicameral legislative system comprising 70 Members, of whom 62 are elected directly from 21 constituencies. Of the constituencies, 20 constituencies field three members to Parliament, and one constituency fields two members. The remaining eight members are nominated by the Electoral Supervisory Commission under section 5 of the First Schedule of the Constitution to correct

any imbalance in community representation in the National Assembly. This system of nominating eight members is commonly called the best loser system. The political party or party alliance which wins most seats in the National Assembly forms the Government, and its leader usually becomes the Prime Minister.

The Standing Rules and Orders and the Constitution of Mauritius guide the Assembly. They sit once a week on Tuesdays at 11.30 a.m. However, they may sit on any other day and at any additional time as it may decide. The National Assembly may also sit and despatch its business differently or decide on any other item of business for the day.

The National Assembly of Mauritius has six standing committees, namely:

- The Committee of Selection
- The Public Accounts Committee
- The Standing Orders Committee
- The House Committee
- The Broadcasting Committee
- The Parliamentary Gender Caucus

The Mauritian Constitution allows for the dissolution of Parliament before the general election, and Cabinet stands in during that period. In addition, members of the National Assembly, apart from those in Cabinet, are allowed full-time employment outside their parliamentary duties.

6.2 ECONOMIC DEVELOPMENT BOARD:



Meeting with the Chairman of the Economic Development (EDB), Mr. Hemraj Ramnial, and the Acting Deputy Executive Officer, Mr. Sachin Mohabeer

Economic Development Board (EDB) is the leading Government agency mandated to provide strong institutional support for strategic economic planning and promote Mauritius as an attractive investment and business center, a competitive export platform, and an International Financial Centre (IFC). Its objective is to ensure greater coherence and effectiveness in implementing policies and draw the Vision for the economic development path to reach high-income status through sustainable and inclusive economic growth.

As a strategic arm of the Government, the EDB synergizes across all ministries and with private stakeholders to meet set goals. The EDB also addresses issues of mismatch in education, labour systems, the impact of an aging population, adoption of technology and innovation, and infrastructural development, amongst others.

The EDB business facilitation agenda ensures that projects are implemented timely by providing that all licensing authorities respect timeframes for issuing respective licenses. The National E-Licensing Platform is the one-stop shop for business registration and support.

The Mauritius Government attributed its success to its open policy approach, transparent systems, effective coordination with private stakeholders, consistency in laws and economic policies, and high level of accountability.

Discussions with the Economic Development Board focused on Mauritius' economic growth strategies, investment promotion, and policies to attract foreign direct investment. The Namibian delegation gained valuable insights into Mauritius' success in positioning itself as a regional economic hub and explored potential avenues for enhancing Namibia's economic development.

6.3 MINISTRY OF INDUSTRIAL DEVELOPMENT, SMES, AND COOPERATIVES:



Meeting with the Minister of Industrial Development, SMEs and Cooperatives, Hon. Soomilduth Bholah

The Namibian delegation met with the Minister and officials from the Ministry of Industrial Development, SMEs, and Cooperatives to understand Mauritius' approach to fostering entrepreneurship, supporting small and medium enterprises, and promoting cooperative initiatives. The discussions encompassed policies, programs, and endeavours to stimulate economic growth and job creation. What was of particular interest to the Namibian delegation was the Mauritius Government's strategies to stimulate SME growth which encompasses the provision of grants as start-up capital or payment of employees of SME owners while building up wealth, intensive training of entrepreneurs, interest-free loans to maturing SMEs, monitoring and evaluation of SMEs, and transformation of SMEs into more significant industries.

6.4 MINISTRY OF SOCIAL INTEGRATION, SOCIAL SECURITY, AND NATIONAL SOLIDARITY:



Meeting with the Minister of Social Integration, Social Security, and National Solidarity, Hon. Fazila Jeewa-Daureeawoo

The Namibian delegation engaged with the Minister and officials of the Ministry of Social Integration, Social Security, and National Solidarity to learn about Mauritius' social welfare systems, poverty alleviation programs, and strategies for promoting social integration and national solidarity. The discussions helped the delegation gain insights into approaches that effectively address social challenges and promote inclusive development.

To alleviate poverty within communities, the Ministry developed a master plan with five strategic pillars: financial, education, training, family value, and social housing. To realize that, the citizens have access to free universal health care and free education (including providing school shoes, uniforms, books, stationary and digital devices when needed). Their social housing system is in three categories the fully concrete housing scheme, where the Government could build a house valued at 1 million rupees for beneficiaries for are holders of a title deed or owners of that piece of land; the second category is where the Government provide a plot and construct free houses to beneficiaries without land. The other options are the care homes with fully installed cameras to monitor the treatment of beneficiaries remotely.

To keep track of all beneficiaries, the Ministry created a database of families living in poverty where over 5200 people are registered. They are evaluated and monitored regularly based on government intervention and are subjected to re-evaluation for possible assistance or integration into society when they become self-supportive. Additionally, the Government provides parents with incentives to keep

children in schools in exceptional cases of extreme social cases, extreme poverty, or extraordinary instances of disability and special needs.

6.5 MINISTRY OF BLUE ECONOMY, MARINE RESOURCES, FISHERIES, AND SHIPPING:



Meeting with the Minister of Blue Economy, Marine, Fisheries, and Shipping, Hon. Sudheer Maudhoo

Discussions with the Ministry of Blue Economy, Marine Resources, Fisheries, and Shipping focused on Mauritius' strategies for sustainable utilization of marine resources, development of the blue economy, and management of fisheries and shipping sectors. The Namibian delegation explored possibilities for enhancing Namibia's maritime industry and promoting sustainable economic growth.

6.6 MINISTRY OF NATIONAL INFRASTRUCTURE AND COMMUNITY DEVELOPMENT:



Meeting with the Minister of National Infrastructure and Community Development, Hon. M. S. Bobby Hurreeram

The Namibian delegation met with representatives from the Ministry of National Infrastructure and Community Development to learn about Mauritius' infrastructure development, urban planning, and

community development initiatives. The discussions provided valuable insights into strategies for improving Namibia's infrastructure and fostering sustainable and inclusive communities.

7. Key Learnings and Takeaways:

Based on the benchmarking visit, the Namibian Parliamentary Committee on Economic and Public Administration identified the following key learnings and takeaways:

7.1 ECONOMIC GROWTH STRATEGIES:

Mauritius had an economy that was geared towards agriculture and textiles which exposed the country to macroeconomic issues as the sectors are vulnerable to changes in the international markets. They were able to diversify their economy from a one sector economy into an economy which is diverse and dependant on multiple unique sectors. These has allowed the economy to shield from fluctuations in the international market. Through the diversification, Mauritius achieved socio-economic development. The result was realized through the Government's promotion of export-oriented industrialization. Mauritius employed successful strategies, including investment promotion, ease of doing business, low taxation, skills development, high vale production and sector-specific policies. Through the diversification strategies, they diversified their economy from mono-crop, manufacturing and tourism, manufacturing, and services sector and 21st century-oriented services ICT, Real Estate, Health, Energy, Tourism, and Blue Economy.

The Government of Namibia has consistently promoted "beneficiation" since 2012 through its homegrown agenda. The beneficiation, or value-added, strategy focuses on adding more value downstream to current exports. Nonetheless, the idea behind beneficiation is intuitive and appealing to an economic-political messaging about "doing more at home. "It is an appealing idea for many reasons: saving on transportation costs as well as secured and cheaper local supply, and domestic import substitution. It also supports a sense of national pride by promoting the notion that employment and skills "evolve" downstream to higher-value products. Although, in a country like Namibia with a dependence on commodities, adding value is seen as an option to reduce exposure to the volatility of the international markets (i.e., selling batteries is less volatile than selling copper). Empirical evidence shows that countries do not transform by adding more value to their existing exports down the value chain as Structural transformation favors sectors with similar technological requirements, factor intensities, and other requisite capabilities, not products connected in production chains¹. Therefore, there is a need to improve the country's accumulative productive capabilities through development of entrepreneurial capabilities

¹ http://www.tinyurl.com/y298cfk2

and creation of production linkages as the country's ability to produce goods and services that will help it grow and develop."

Namibia can learn from Mauritius the need to diversify away from dependence in the mining and fishing industry into high value manufacturing away from the extractive industry, as mineral beneficiation does not lead of diversification. There is a need for the country to focus on improvement of its policy that will attracting foreign direct investment and fostering economic diversification away from dependence on the extractive industry for export earnings, export of raw materials, and reliance on the government sector for employment.

Namibia's growth prospects are also constrained by a shortage of specialized skills due to skill mismatch. This skill shortage constrains not only existing industries but also the development of new engines of growth, limiting access to opportunity for Namibians across all skill levels. Missing skills at the top of the spectrum tends to depress job creation at the bottom. Therefore, Namibia can learn from Mauritius, as they have invested in education and skills development through analysis of labour market needs which enable the education sector to redefine and restructure to the needs of the market. This enables the country to meet the labour market needs and avert mismatch of skills which reduces unemployment, contributes to the need for economic diversification and socio-economic development.

7.2 SME SUPPORT AND COOPERATIVES:

Mauritius provides extensive support to SMEs schemes:

SME Marketing Support Scheme

Support SMEs to improve their market accessibility and competitiveness in local and export markets and respond to more stringent requirements of diverse customer bases.

Inclusiveness and Integration Scheme

Encourage SMEs to work together, favour inclusiveness, interlinkages, and networking and collaborate and synergize for mutual benefit.

SME Employment Scheme for Graduates and Diploma Holders

It aims to develop and instil entrepreneurial skills and aptitude among graduates as well as boost the employability of young graduates.

• SME Start-Up Programme

It aims to help aspiring entrepreneurs measure the potential of their business ventures before embarking on entrepreneurship. Through the program, the Government provides SMEs with training to support SME participants in launching their products or services as they will receive support from the institution. The program enables SMEs to market their products or services in the buildings of SME Mauritius.

'Vinn ou prop Boss' Programme

The scheme encourages SMEs interested in starting their business by providing the necessary information and tools in the Citizens Advice Bureau. The plan includes training in 'Idea generation business, Talent business, and Legal issues.

Therefore, Namibia can draw inspiration from Mauritius' initiatives to support small and medium enterprises and promote cooperative ventures. The Government can adopt strategies such as capacity building, access to finance, and fostering an enabling environment for entrepreneurship to enhance Namibia's SME sector because SMEs constitute a significant source for generating employment, creating wealth, and alleviating poverty in the rural regions.

7.3 SOCIAL WELFARE SYSTEMS

Mauritius has an extensive welfare state with Government providing free universal health care, free education up to the tertiary level (free uniforms, textbooks, laptops, and tablets), and free public transport for students, senior citizens, and disabled people. In addition to these benefits, the Government also provides several other social services, such as housing assistance and non-contributory pension for senior citizens, disabled persons, orphans, and widows.

Mauritius's social welfare systems and poverty alleviation programs serve as valuable examples for Namibia in addressing social challenges, reducing inequality, and promoting social integration, especially adequate free universal health care, education, and transportation for less privileged people.

7.4 Blue Economy and Marine Resources Management:

The Namibian delegation gained insights into Mauritius' successful approaches to the sustainable management of marine resources, development of the blue economy, and effective governance of fisheries and shipping sectors. These lessons can contribute to Namibia's efforts in harnessing its marine resources for sustainable economic growth.

7.5 INFRASTRUCTURE DEVELOPMENT AND COMMUNITY BUILDING:

Mauritius' infrastructure development and community-building initiatives inspire Namibia's efforts to improve its infrastructure and create sustainable, inclusive communities.

8. CONCLUSION:

The benchmarking visit to Mauritius proved highly informative and beneficial for the Namibian Parliamentary Committee on Economic and Public Administration. The exchange of ideas and experiences with various organizations and ministries in Mauritius has provided valuable insights and lessons that can contribute to Namibia's economic development, public administration, and overall social progress.

Providing essential services such as housing, health care, and education must be emphasized. A country cannot fully become industrialised if it is unable to meet the basic needs of the poor and vulnerable communities.

9. RECOMMENDATIONS

Thus the Committee recommends that:

- 9.1 The Government through the National Planning Commission, Ministry of Industrialisation and Trade and Ministry of Finance and Public Enterprises must introduce enabling frameworks to improve synergy between line ministries that has input in the Industrial Policy of Namibia, including the private sector. The Ministry of Industrialisation and Trade is the leading Ministry to ensure the alignment/review of industrial, tax, and investment policies for effective and efficient service delivery to the business industry and investors;
- 9.2 To realize industrialization and SME development, the Ministries of Industrialisation and Finance and Public Enterprises must develop strategies to introduce tax incentives, economic zones, and ways to reduce production costs;
- 9.3 The Government through the Ministry of Finance and Public Enterprises to look into ways to increase the budget allocation to the Ministry of Industrialisation and Trade:
- 9.4 To address the skills gaps in Namibia, the Ministry of Education, Arts and Culture and Ministry of Higher Education, Training and Innovation in consultation with the Ministry of Industrialisation and Trade and all relevant training institutions, must develop a strategy to identify skills shortages and ways to fill such gaps by providing scholarships/grants;
- 9.5 The Government trough the National Planning Commission, Ministry of Works and Transport, Ministry of Finance and Public Enterprises, Ministry of Industrialisation and Trade, Ministry of Works and Transport and Ministry of Information and Communication Technology must come

up with a consolidated plan for infrastructure development to drive and strengthen connectivity and economic growth;

9.6 The Government through the Ministry of Urban and Rural Development, National Housing Enterprise, Ministry of Education, Arts and Culture and Ministry of Higher Education, Training and Innovation must review its social housing and free education schemes to meet its citizen's demands for basic housing and education/training.

10.

MEMBERS' SIGNATURES

Allo:	Ittlland
Hon. Natangue Ithete – Chairperson	Hon. Mathias Mbundu – Deputy Chairperson
Hon. Modestus Amutse	Hon. Dr. Tobie Aupindi
Muchal	
Hon. Apius !Auchab	Hon. Celeste Becker
Lyado	M
Hon. Bertha Dinyando	Hon. Elfas Dingara
Helgo	In Julaan &
Hon. Maria Elago	Hon. Reginald Diergaardt
<u></u>	9410
Hon. Hamunyera Hambyuka	Hon. Gotthard Kasuto
MSKamutedi	Kanelini
Hon. Maria Kamutali	Hon. Johanna Kandjimi
×	Seereff
Hon. Joseph Kauandenge	Hon. Sebastiaan Karupu
	A
Hon. Patience Masua	Hon. Helalia Mukapuli

Hon. Jan Mukwiilongo

Hon. Nico Smit

Hon. Fenni Nanyeni

DATE