

Country Programme Document for Mauritius (2009-2011)

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I. Situation analysis

1. The 2009-2011 country programme for Mauritius has been jointly formulated by the Government of Mauritius and the UNDP country office, in consultation with non-state actors and development partners. It supports the Government's programme to achieve broad-based, equitable growth and is in line with the UNDP strategic plan, 2008-2011.
2. With a recent annual rate of growth of around 5 per cent, Mauritius has successfully diversified its economic activities in agriculture, manufacturing, tourism, financial and business services. There has also been considerable social progress since the 1980s. In the Human Development Report 2006, Mauritius ranks among those countries with a high development index.
3. Mauritius has been benefiting from the preferential trade regimes in sugar and textiles while expanding the economic base into new growth areas. Notwithstanding those positive trends, Mauritius has now to contend with global open competition. Traditional productive sectors are being subjected to major shocks, including the progressive reduction in guaranteed sugar prices, the dismantling of the Mauritius Freeport Authority, the eroding of preferential access to the European Union and United States markets, and soaring oil prices.
4. Pockets of poverty remain in specific regions, including Rodrigues. The latest indicators show that the proportion of poor people, based on half-median household income, is around 8 per cent, and unemployment is at 9 per cent. Women constitute 61 per cent of the unemployed. Efforts are required to better assist vulnerable groups, especially women and children.
5. HIV rates have risen from zero-prevalence in 2002 to 1.8 per cent in the 15-49 age group in September 2007, out of which 85 per cent are intravenous drug users. This requires an urgent response, considering the intimate link between most at-risk populations and the general population, together with the potential for rapid expansion of the virus. A needle exchange programme and a methadone substitution therapy have been scaled up rapidly, with help from the World Health Organization, UNDP and UNAIDS.
6. The Government has responded to these challenges with a 10-year reform programme focusing on four main pillars: (a) fiscal consolidation and improving public sector efficiency; (b) enhancing trade competitiveness; (c) improving the investment climate to rank Mauritius among the top 10 most investment- and business-friendly locations in the world; and (d) increasing the opportunities for greater equity. The reforms are embodied in a three-year programme-based budgeting framework introduced in the 2007-2008 budget. The framework shifts the focus of the budgetary process from an input-based annual activity to a performance-based multi-annual exercise. A training programme has been undertaken for staff and other stakeholders in the public sector, which will form the basis for a regional training programme to be delivered by the proposed 'Regional Multi-Disciplinary Centre of Excellence' in Mauritius.
7. An economic empowerment programme, initially for five years and with a budget of about \$170 million, provides dedicated support in employment, entrepreneurship, education and housing to specific vulnerable groups such as the unemployed, micro- and small entrepreneurs, and low-income and vulnerable households. This support will coordinate with similar programmes for enhanced efficacy. The 'Zone d'éducation prioritaire' (ZEP) programme, which facilitates improved educational participation and performance by poor children through education reform and community empowerment, is being revamped. The corporate sector is also fulfilling its social responsibility.
8. Mauritius has made significant progress in governance and environment protection. The legal and regulatory framework has been fine-tuned to stimulate business and ensure the rule of law, greater transparency and accountability in the system, fair practices and, especially, good governance. Mauritius leads the list of the 'Ibrahim Index of African Governance', <http://www.moibrahimfoundation.org/index/index2.asp>. With the enforcement of environmental

standards and the implementation of projects under the national environmental strategy and action plan, efforts to minimize the impact of climate change on the economy are ongoing.

II. Past cooperation and lessons learned

9. The country programme 2005-2007 was extended into 2008. UNDP concentrated on two strategic areas: (a) fostering an enabling environment for policy and decision-making to achieve the Millennium Development Goals; and (b) promotion and protection of the environment and energy. Gender equality was both a targeted and a cross-cutting initiative. UNDP supported the Government in introducing programme-based budgeting in a three-year medium-term expenditure framework. UNDP focused on strengthening the national gender machinery and developing national capacities for gender mainstreaming in policies and strategies. Further, it supported strengthening of the non-governmental organizations sector; corporate social responsibility policies and practices; the introduction of innovative practices in pedagogy; and leadership in ZEP schools through business and civil society partnerships. A national human rights strategy was formulated. UNDP supported the formulation of the new HIV/AIDS act providing a framework to accelerate HIV prevention and care services for the most vulnerable groups. Support to information and communication technology (ICT) included preparation of a national information and communication strategic action plan, which identifies the means to reinforce ICT as the fifth economic pillar in Mauritius.

10. The environment component focused on (a) formulation of the national implementation plan on persistent organic pollutants; (b) implementation of a marine protected area project; and (c) development of a terrestrial protected area network, sustainable land management, energy efficiency in buildings, adaptation of tourism and coastal zones to climate changes, and energy policy reform. The country office became the lead office for the Agulhas and Somali Current Large Marine Ecosystem and the Atlantic and Indian Ocean Small Island Developing States Integrated Water Resource and Wastewater Management regional projects. Synergies have been built with other regional programmes, such as the clearing-house mechanism under the Convention on Biological Diversity; the Southwest Indian Ocean Fisheries project, the West Indian Ocean land-based project and the regional coastal management programme being implemented by the Indian Ocean Commission.

11. The annual reviews and audit revealed that the country programme should be more focused, given the limited funding for Mauritius. Government partners stressed the importance of complementing policy advisory services with technical support for implementing the proposed policies and strategies. Assessing the capacities of implementing organizations should be an integral part of project preparatory phases. In addition, development of, and partnership with, non-state actors should be taken further.

III. Proposed programme

12. The country programme will be anchored in the 10-year national economic reform programme, with a focus on capacity development in four strategic initiatives; (a) the empowerment programme; (b) the ZEP; (c) programme-based budgeting and sector strategies; and (d) environment protection, energy and management of natural resources. Support to programme-based budgeting links poverty reduction to governance efforts. The focus on inclusive growth, public finance and education reforms are also in line with the UNDP-Africa 'capacity development for pro-poor growth and accountability strategy. Gender equality and HIV/AIDS concerns will be mainstreamed into programme activities at various levels. The programme will be guided by principles of national ownership, multi-stakeholder partnerships and synergies among the four components to ensure sustainability and greater impact. Regional and South-South cooperation will promote exchange of knowledge and good practices. Consultations on the second annual business plan were held in early 2008 between the Government of Mauritius and the development partners, namely, the European Commission, the World Bank, the Agence française de développement and UNDP, regarding development assistance for 2008/9-2010.

A. Poverty reduction and achievement of the Millennium Development Goals

13. *Empowerment programme.* The Government has set the following objectives (a) securing employment for those made jobless by industry restructuring; (b) encouraging entrepreneurship and improving the capacity of entrepreneurs for export competitiveness; (c) providing transitional housing support to low-income and vulnerable households and (d) enhancing education of children in vulnerable households. The capacity development approach will focus on: (a) employability skills; (b) entrepreneurship and micro/small business development, especially among unemployed groups, youth and women; (c) establishing incentives and promoting access to differentiated funding mechanisms; (d) strengthening training institutions and civil society organizations to build capacities of target groups; and (e) integrating lessons learned into policy. UNDP will support an action-learning process that will encourage ongoing improvement in service delivery. ZEP is related to pro-poor growth policies of the Government and contributes to poverty alleviation and achievement of Millennium Development Goals 1 and 2 by reducing school drop-outs in deprived regions. ZEP was piloted successfully in 30 schools, including in Rodrigues and Agalega islands, improving educational achievement through enhanced community participation. The programme will be replicated nationwide at the primary level, with a focus on technical support, capacity building and community involvement. UNDP, in collaboration with the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the Food and Agriculture Organization (FAO) – upgrading the school feeding programme – will support the Ministry of Education and Human Resources and other stakeholders.

14. *Programme-based budgeting sector policies and strategies.* This aims to strengthen accountability, improve performance in public finance and administration and improve the effectiveness of policies and strategies designed for the implementation of the 10-year economic reform programme. UNDP intervention will support government reform in fiscal consolidation and improving public sector efficiency. UNDP will provide high-level advisory and technical support for implementing programme-based budgeting fully in the 2008/09-2010/11 budget period. This will include: (a) developing and implementing a new budget framework with accompanying changes in the financial management manual; (b) adoption of a new ‘Global File System’-consistent chart of accounts; establishing a new financial management system; and (c) implementing a national capacity development programme on programme-based budgeting for public sector personnel and other key stakeholders, such as civil society organizations, to reinforce their capacity to monitor expenditures. A national training plan will provide continuous training and support. Discussions to link this to a regional training plan, in collaboration with the Common Market for Eastern and Southern Africa, the South African Development Community and the Collaborative Africa Budget Reform Initiative, are under way.

B. Environment

15. UNDP will support local and regional initiatives to promote environmental protection in Mauritius and enhance regional collaboration. UNDP will strengthen national capacities to enforce new environmental measures and legislation and enhance accountability and transparency in environmental decision-making. It will focus on developing enabling policy, institutional framework and adaptive strategies, and creating conditions for effective natural resources management practices and public-private partnerships in environmental protection. In collaboration with the Small Grants Programme of the Global Environment Facility (GEF), the programme will include strategies to involve non-state actors in sustainable development and environmental protection.

16. UNDP will help Mauritius to meet its commitments and reporting requirements under multilateral environmental conventions by strengthening national capacities for environmental data collection, reporting and mainstreaming environmental economics

in national accounts systems. Climate change mitigating and adaptive strategies will be developed for the expanding tourism sector and coastal area management.

17. The country programme will also focus on (a) removal of persistent organic pollutants; (b) reduction of greenhouse gas emissions and expansion of marine and terrestrial area networks to protect biodiversity; (c) addressing land degradation to maintain ecosystem productivity and ecological functions; (d) removing barriers to energy conservation; and (e) clean development mechanisms and carbon credits.

IV. Programme management, monitoring and evaluation

18. Close cooperation with the Ministry of Finance and Economic Development will be maintained throughout programme implementation to ensure that national priorities are met. Sectoral outputs will be coordinated with the respective ministries. The programme will be executed in cooperation with other United Nations organizations, with emphasis on national execution to enhance national capacity and transfer of relevant national and international experiences. Monitoring will be undertaken jointly by the Government, the UNDP office and other stakeholders, and annual reviews will be conducted based on indicators in the results and resources framework. Programme-based budgeting and environmental protection will be part of mandatory outcome evaluations. Adequate capacity, and monitoring and evaluation institutional arrangements, will be planned for the evaluation policy requirements.

19. UNDP intends to partner with: (a) *multilateral organizations* such as the European Union, in areas of gender, child rights, climate change and energy; (b) the *Indian Ocean Commission* for sustainable management of the coastal zones, marine protected areas and large marine ecosystems; and to expand the Indian Ocean Child Rights Observatory into a 'regional knowledge hub'; (c) *the United Nations system* – (i) the United Nations Environment Programme (UNEP) is already a partner for the Clean Development Mechanism (CDM); (ii) FAO will provide financing for the sustainable land management project, and support for upgrading the school feeding programme; (iii) the United Nations Children's Fund will partner the Indian Ocean Commission-Child Rights Observatory project; (iv) UNESCO will provide financing and technical support to ZEP; (v) the Democratic Governance Thematic Trust Fund will streamline the national Governance processes via technical expertise from other United Nations organizations; (vi) UNAIDS – to strengthen the national HIV/AIDS response; (vii) the United Nations Fund for Women and UNFPA to develop a sub-regional gender strategy; (d) *Agence française de développement* – for the development of renewable energy; (e) *The private sector* – for co-management of protected areas, energy efficiency in buildings, development of CDM projects, and capacity building on corporate social responsibility practices; the Global Compact will be carried out with the Mauritius Employers' Federation; (f) *South-South Cooperation* – mainly in the development of CDM and the Agulhas and Somali Current Large Marine Ecosystem and Observatory of Children's Rights in the Indian Ocean Region projects.

20. UNDP will work closely with United Nations volunteers and international experts who will be linked to a pool of national consultants to reinforce programme management capacities. Programme capacity needs will also be met by collaboration with regional programmes, and the regional service centre in Johannesburg.

21. The programme will be funded with regular resources totaling \$2,250,000, which will be used as seed monies to raise additional funds from trust funds (GEF), donors, the private sector and the Government. The total GEF amount is projected at \$6.4 million for the national programme and \$12.9 million including the regional programmes. The programme component on environment will use the GEF resources while increasing the co-financing commitments from the Government for the GEF medium and full-sized projects under preparation. Private sector contributions will be sought for public-private partnership projects.

National priority or goal : To promote broad-based economic and inclusive growth while ensuring equitable access to public goods, services and opportunities for the poor and vulnerable groups

| Programme component | Programme outcomes | Programme outputs | Outcome indicators, baselines and targets | Partners | Resource by goal \$ |
|---|--|---|---|--|---------------------|
| Empowerment programme (Mauritius and Rodrigues) | 1. Capacity of government agencies, CSOs and vulnerable groups developed to address exclusion, economic and social vulnerabilities | 1.1 Mechanisms to re-skill and employ the retrenched and unemployed, especially women 1.2 Women's groups established to develop entrepreneurship/access to resources, markets 1.3 Partnerships with CSOs/SAP Project Systems/training institutions to build employability/entrepreneurship for target groups 1.4 Community mobilization/employment generation for participation/empowerment of vulnerable groups 1.5 Policy/implementation monitoring system 1.6 ZEP innovations/community mobilization to improve school performance consolidated and replicated nationwide at primary level 1.7 Capacity of Ministries of Education and Human Resources to integrate ZEP into national policy and implement it nationwide 1.8 Synergies between ZEP and empowerment programme and partnerships developed to facilitate accelerated progress and impact in community mobilization for MDG achievement | <p>1. Target: 0.3 % Increase in women's employment rate; 0.1 % increase in businesses run by women.</p> <p>Indicators: No. of women who: successfully followed training programmes (500); benefited from placement facilities (50); secured employment as a result of training and support (300). No. of new businesses successfully implemented by women (15); Status and No. of new businesses in the process of being implemented (5); Effective CSOs partnerships in community empowerment; M&E system.</p> <p>Baseline: No. of retrenched and unemployed men and women; No. of women-led businesses; weak CSO capacities</p> <p>2. Target: National ZEP Policy framework developed and implemented at primary level by 2010:</p> <p>Indicators: national policy and programme in place; No. of schools targeted; level of community involvement; capacity of partners developed; partnerships for ODEROI established.</p> <p>Baseline: School failure (%); no ZEP policy; limited capacities of partners and communities</p> | <p>Government: The National Productivity and Competitiveness Council will be the national execution partner</p> <p>Cooperating partners: UNESCO and FAO, governmental institutions, CSOs, non-governmental organizations/community-based organizations, private sector</p> | Regular |
| | | | | | 550,000 |
| | | | | | Other |
| | | | | | 300,000 |
| Programme-based budgeting and sector strategies | 2. Improved capacity of Government agencies in results-based policy making, planning, performance management and public service delivery | 2.1 New budget framework/ changes in the Financial Management Manual developed/ implemented 2.2 New GFS consistent Chart of Accounts adopted/operational 2.3 New Financial Management Information System installed and operational 2.4 National training programme for programme-based budgeting - all public sector personnel/key stakeholders trained 2.5. Regional training plan implemented with COMESA, SADC and CABRI (2009/11) | <p>1. Target: By 2011, support provided in creating enabling policy framework for programme-based budgeting and supporting instruments</p> <p>Indicators: Organic Budget Law, GFS-consistent Chart of Accounts; Financial Management Information System. Gender-sensitive data utilized in all above.</p> <p>Baseline: Programme-based budgeting piloted in Ministry of Finance and Economic Development</p> <p>2. Target: Programme-based budgeting implemented in key ministries.</p> <p>Indicators: National training programme implemented; No. of line ministries equipped for programme-based budgeting; inter-sectoral policy coherence; Regional training programme implemented.</p> <p>Baseline: National training programme in initial phase</p> | <p>Government: The Ministry of Finance and Economic Development, other ministries, governmental institutions.</p> <p>Cooperating partners: UNDP</p> | Regular 300,000 |

National priority or goal : To improve environmental protection by accessing and utilizing environmental funds, carbon markets, payment for ecosystem services and other financing mechanisms

| Programme component | Programme outcomes | Programme outputs | Outcome indicators, baselines and targets | Partners | Resource by goal \$ |
|--------------------------|---|---|---|--|------------------------|
| Environmental protection | National capacities of key institutions to implement global environmental commitments at national and regional levels | Capacities for sustainable land management built in government/civil society institutions/ user groups and mainstreamed into government planning and strategy development | <p>Target: Best practices and guidelines in sustainable land management are broadly disseminated and used in development planning, zoning and agricultural extension</p> <p>Indicator: National Action Plan approved by Ministerial Cabinet and submitted to the United Nations Convention to Combat Desertification (UNCCD) by end 2010</p> <p>Baseline: Forest Land Information System completed and national action programme and national forestry action plan initiated</p> | <p>Government: Ministries of Agriculture, Housing and Lands, Rodrigues Regional Assembly</p> <p>Cooperating partners: FAO, UNCCD</p> | Regular |
| | | | | | Other 198,000 (GEF) |

| | | | | | |
|--|--|--|---|--|--|
| | through integration of environmental concerns in national policies and programmes improved | Enabling policy and institutional framework for sustainably co-managed marine and terrestrial protected areas through public-private partnership developed | Target: Reduce threats to biodiversity through innovative participatory stakeholder action for effective co management of protected areas Indicators: (a) A Marine Protected Area under co-management created in Rodrigues by December 2009, and replicated in Mauritius by end 2010 (b) Terrestrial Protected Area Network increased by 8% by 2011 Baseline: Limited protection to globally significant terrestrial, coastal and marine biodiversity | Government: Rodrigues Regional Assembly, Albion Fisheries Research, National Parks Conservation Services Civil societies/private sector: Local communities, Mauritius Wildlife Foundation, landowners | Regular s <hr/> Other 2,760,000 (GEF) |
| | | Long-term sustainability of living resources of the two large marine ecosystems ensured through ecosystem based approach to management of the Agulhas and Somali Current Large Marine Ecosystem (ASCLME) | Target: Research and understanding of the coastal and marine ecosystems within the ASCLME Indicator: Regional based monitoring and information system operational by 2011 Baseline: Lack of a holistic multi-sectoral regional ecosystem management approach to large marine ecosystem for the Agulhas and Somali Current | Government: Governments and Oceanographic Institutes: Tanzania, Mozambique, Seychelles, Madagascar, South Africa, Comoros, Mauritius Cooperating partners: Government of Norway, France. UNEP, World Bank | Other 6,430,000 (GEF) |
| | | Operational CDM and voluntary carbon market framework developed | Target: Promotion of access to the carbon market, financing and technology Indicator: 3 Carbon Credit projects prepared for submission to the MDG Carbon Finance by end 2010 Baseline: Lack of National CDM strategy | Government: Ministry of Environment Cooperating partners: UNEP, UNDP | Regular 100,000 <hr/> 83,000 GEF |

| National priority or goal: To mainstream climate change adaptation policies into national development plans based on improved understanding of the linkages between climate change and other development issues and gender-differentiated impacts | | | | | |
|---|---|---|--|---|---------------------|
| Programme component | Programme outcomes | Outputs, including key output indicators where needed | Outcome indicators, baselines and targets | Partners | Resource by goal \$ |
| Climate change and energy | Capacities for management of persistent organic pollutants, mainstreaming climate change adaptation strategies and integrating energy conservation into policy and programme development enhanced at country level. | Revised national legislation aligned with the Stockholm Convention | Target: Compliance with Stockholm Convention by end 2009 and strengthening institutional capacities Indicator: Use of persistent organic pollutant chemicals phased out by 2010 Baseline: Stockholm Convention is not fully incorporated into national legislation | Government: Ministries of Environment, Health and Quality of Life, local government, state law office. | Other 750,000 (GEF) |
| | | Energy efficiency market developed | Target: Green house gas emissions reduced substantially through transformation of the energy efficiency market for existing and new buildings Indicator: 5 verified investment projects in energy efficiency measures in buildings being implemented by end 2011. Building regulations enacted, codes drafted and necessary legislation enacted by end 2010 Baseline: Limited investment in energy efficiency in buildings and no proper regulation and codes | Government: Ministries of Public Utilities, Housing, Central Electricity Board, the State Law office, Private: Mauritius architects association, engineers association | Other 600,000 (GEF) |
| | Capacity strengthened and adaptation measures integrated into tourism development and coastal zone management | Target: Capacity developed to address future climate change related risks through adaptive measures in tourism sector development and Integrated Coastal Zone Management Indicator: Nat'l adaptation plan developed by Ministry of Tourism by end 2011 Baseline: Climate change risk adaptation measures not incorporated into current approaches to coastal zone management | Government: Ministries of Tourism, Environment Private: Association of Hotels & Restaurants of Mauritius | Regular 100,000 <hr/> Other. 2,100,000 (GEF) | |