



Republic of **Mauritius**

THE DIPLOMAT

NEWSLETTER

MINISTRY OF FOREIGN AFFAIRS, REGIONAL INTEGRATION AND INTERNATIONAL TRADE



43rd Independence Day Celebrations

Mauritius welcomes the President of the Maldives



The Chief Guest for the 43rd Independence Day celebrations, the President of the Republic of Maldives, H.E. Mohamed Nasheed, arrived in Mauritius on Friday 11 March 2011 for a three-day visit. He was welcomed at the SSR International Airport by the Prime Minister, Dr. Navinchandra Ramgoolam, several ministers and high dignitaries. The President of Maldives, who is the Chief Guest for the National Day Celebrations, was accompanied by his wife, Mrs. Laila Ali.



During the day, Mr Nasheed paid a courtesy call on the President of the Republic, Sir Anerood Jugnauth, at the State House, Le Reduit. In the evening, he attended a State Banquet hosted by the Prime Minister at the Freeport Complex, Mer Rouge.



The next day, the President of Maldives proceeded to the SSR Memorial at the SSR Botanic Garden, Pamplousses for a wreath laying ceremony.



This was followed by a working session with Dr Navin Ramgoolam at Clarisse House, Vacoas, during which areas of cooperation and collaboration were identified to address topics such as defence, economy, monitoring of the Exclusive Economic Zone (EEZ), tourism, port area and sustainable development. The countries' respective facilities in maritime surveillance were assessed at the working session. Dr Ramgoolam and H.E. Nasheed want to collaborate with other Indian Ocean Island States to enhance the capacity to fight illegal, unregulated and unreported (IUU) fishing in the EEZ and piracy.



Moreover, they both voiced out their strong opposition with regard to the establishment of a Marine Protected Area around the Chagos Archipelago and agreed to take a collective stand vis-a-vis the UK government. Both governments agreed to make bilateral arrangements on the overlapping area of extended continental shelf of the two States around the Chagos Archipelago.

Furthermore, Mauritius and Maldives are eager to pool their efforts together to enhance security, economic, cultural, maritime, air and tourism cooperation between the two countries. A joint Commission will be set up to work out the modalities of cooperation. Both the Prime Minister and the Maldivian President agreed to work towards the recognition of Small Island States as a distinct category within the United Nations system so as to benefit from special and differential treatment in view of their vulnerabilities.



Before the end of the working session, Dr Ramgoolam and Mr Nasheed expressed their grief over the loss of lives and severe damage caused by the earthquake and tsunami which struck Japan on 11 March.

Moreover, Mauritius has conferred one of its highest honours, Grand Commander of the Order of the Star and the Key (G.C.S.K.) of the Indian Ocean, on Maldivian President Mohamed Nasheed. President of Mauritius Anerood Jugnauth presented the award to Mr.Nasheed on Saturday 12 March 2011.





In the afternoon of 12 March, the Chief Justice, the Speaker of the National Assembly and the Leader of the Opposition called on Mr Nasheed at Royal Palm hotel. In the evening, Mr Nasheed attended the National Day Celebrations at the Champ de Mars, Port Louis.

The program of activities of the National Day Celebrations comprised the flag raising ceremony, a march past by Disciplined Forces and Uniformed organisations, a fly-past demonstration by Police Helicopter Squadron, music/dance fusion items, fireworks and a display of floats followed by a popular show. Several activities were scheduled during one month at the regional level in Mauritius. The National Day was also celebrated in Rodrigues and Agalega.

Bilateral relations between Mauritius and Russia

Signature of MoU on Cultural Cooperation



A Memorandum of Understanding (MoU) on Cultural Cooperation between the Ministry of Arts and Culture of Mauritius and the Ministry of Culture of the Russian Federation was signed in Moscow on 11 March 2011. H.E. Mr M. Dosieah, our Ambassador in Moscow, and H.E. Mr P.V. Khoroshilov, Deputy Minister of Culture of Russia signed the MoU, on behalf of the Government of Mauritius and the Government of the Russian Federation, respectively.

The MoU lays the foundation for greater cooperation between Mauritius and the Russian Federation in the fields of arts and culture including, inter alia, direct cooperation between leading libraries, museums, educational and scientific institutions of arts and culture and institutions for preservation and restoration of monuments of history and culture of the two countries. The MoU also makes provision for the promotion and development of professional contacts in the sphere of archives between the archive institutions of both countries and also facilitates access to archives and exchange of copies of archive documents in accordance with the legislation in both countries.

Bilateral relations Mauritius – Turkey

Conclusion of 5th round of negotiations to establish Free Trade Area (FTA)

The fifth round of negotiations between the Republic of Mauritius and the Republic of Turkey to establish a Free Trade Agreement was held in Port-Louis, Mauritius on 18-19 February 2011 to conclude discussions on a Free Trade Area (FTA) between the two countries. The Meeting was co-chaired by Ambassador A. P. Neewoor, Secretary for Foreign Affairs, Ministry of Foreign Affairs, Regional Integration and International Trade, Government of Mauritius and by Mr Murat YAPICI, Director General, Directorate General of EU Affairs, Government of Turkey. The two sides agreed that existing trade potentials between the two countries are yet to be fully tapped and that the establishment of the FTA will provide a relevant platform to expand and diversify bilateral trade.

The relevance of having a FTA between Mauritius and Turkey is guided by the policy response to the trade regime of the European Union. On the one hand, Turkey is bound by the Customs Union Agreement with the EU and has therefore, the obligation to align itself progressively to the preferential customs regime of the EU towards the ACP countries, including Mauritius. On the other hand, Mauritius has signed an Interim Economic Partnership Agreement with the EU. Upon entry into force of the Agreement, Turkey will provide duty free access on all industrial products. Mauritius will therefore enjoy a substantial margin of preference for its key exports such as articles of apparels, woven fabrics t-shirts, singlets, jerseys, pullovers, article of leather, knitted or crocheted fabric, jewelry, clock and watches, articles of iron and steel amongst other.

In the Textiles and Clothing sector, the Turkish side has agreed to provide the single transformation rules of origin with duties to be phased out for a list of 60 products over four years. With respect to agricultural products, Mauritius has obtained concessions on a list of 46 products including chilled fish, cut flowers, tropical fruits such as pineapples, mangoes, guava, vegetables, preserved tuna, sweet biscuits amongst others. On Tuna, the Turkish side has agreed to provide a margin of preference of 20% with unlimited quota access. With respect to sugar, the Turkish side proposed to consider any request made by Mauritius expeditiously at the level of a Joint Committee.

On the Mauritian side, concessions have been granted on the basis of the market access offer made to the EC under the Interim EPA. A list of sensitive products for Mauritius will be excluded from liberalization, such as biscuits, meat, pasta, paints, soap and article of iron and steel, amongst others.

The Turkish side has agreed to grant Mauritius, rules of origin which are, as flexible as in the Interim EPA. Through the agreement, Mauritius and Turkey will be able to source material from each other and export to the EU. Cummulation with third parties is also possible provided that Turkey has an FTA with the third country.

IN BRIEF

❖ Japan: Assistance to Mauritian nationals



On Friday 11 March 2011, one of the biggest-ever earthquakes hit off the east coast of Japan, triggering a 10-metre high tsunami that devastated many cities and causing death of more than 10,000 persons. The tremor also damaged four of the seven nuclear reactors in Fukushima, 235 km northeast of Tokyo, causing radiation leaks.

The Ministry of Foreign Affairs has been following the situation very closely, especially through Honorary Consul for Mauritius in Tokyo, Mr. Masaharu Ikuta. There are about 50 Mauritian nationals in Japan, with the majority living in or around the capital city. In view of the consequences of such a severe natural catastrophe, the Ministry of Foreign Affairs has informed the Ministry of Social Security of the likelihood of relatives requesting financial assistance for eventual repatriation.

❖ Courtesy Call by Ambassador of the Kingdom of Belgium to Mauritius

H.E. Mr. Paul Jansen, Ambassador of the Kingdom of Belgium to Mauritius, with residence in Dar-es-Salaam, Tanzania, called on Dr. the Hon. A. Boolell, Minister of Foreign Affairs, Regional Integration and International Trade on 15 March 2011.

Discussions focused inter-alia on the bilateral relations between Mauritius and the Kingdom of Belgium, the issues of piracy in the Indian Ocean and the Economic Partnership Agreement negotiations.

❖ **Memorial for Rivalland at London School of Economics (LSE)**



On 8 March 2011, former tuition students of late Mr. Christian Rivalland organised a Memorial at the LSE for the deceased. The memorial was attended by his students who are now studying in various UK universities. Some of them read eulogies to the former Senior Adviser of the Prime Minister's Office (PMO). High Commissioner Kundasamy, Chief Whip Hon. Suren Dayal and First Secretary Rakesh Bhuckory attended the ceremony which took place at the Chaplaincy of the LSE.

❖ **Credentials to President Obama**

Ambassador Soborun presented his credentials to United States (US) President Obama at the White House, Wednesday 23 February 2011. The main issues highlighted included, inter alia, the following: the benefits derived by Mauritius from AGOA, the common effort of developed countries in Cancun for establishing a 'Green Climate Fund' to assist developing countries, the US support to fight piracy in the Indian Ocean, and bilateral trade relations.

❖ **Kenya-Mauritius Joint Trade Committee Meeting – 26th January 2011**

Mr. N. Boodhoo led the Mauritius delegation at the Kenya-Mauritius Joint Trade Committee which met for the first time since both countries signed the Agreement in 2003. The meeting deliberated on cooperation in the following areas: investment facilitation, tourism and hospitality, fisheries, agro industry, livestock industry, export promotion, standards, trade facilitation.

The Joint Trade Committee is expected to meet once a year on a rotational basis between Mauritius and Kenya. Mauritius took the opportunity to emphasise the non-tariff barriers faced by our exporters on the Kenyan market.

❖ **AGOA – 27 January 2011**

Mr. Paul Ryberg made a presentation on 27th January 2011 at a meeting chaired by the International Trade Division regarding latest development at the level of the US Congress pertaining to AGOA related issues.

It was noted that the extension of the third country fabric provision which expires in 2012 and the AGOA programme which is slated to terminate in 2015 rank high on our priorities. In this regard, Sub Saharan African countries must intensify their lobbying efforts. It is crucial for the third country fabric provision to be renewed before the end of 2011 as orders are normally placed some 9 months in advance and without the renewal US orders are likely to face.

❖ **COMESA Workshop on IPR and Access to Medicine: 01-05 March 2011, Kampala, Uganda**

The COMESA Workshop aimed at developing a regional pharmaceutical sector strategy for production of and regional trade in life-saving medicines in Africa. Moreover, the COMESA Secretariat tabled a COMESA Model IP Policy and IP Law for discussion. The Mauritian delegation comprised amongst others of Trade Policy Analyst Natasha Ponen, and Senior Industrial Property Analyst N. Mardaymootoo.

Members recognized the various challenges that they face in the Pharmaceutical sector in the COMESA region such as: heavy dependence on import of pharmaceuticals products from outside the region, budgetary constraints, low intra-COMESA trade in pharmaceutical products, low technological base/laboratories for testing of pharmaceuticals, and no specific incentives to promote investment in the sector.

Article by Nobel Prize Winner on Mauritius, Monday, March 7 2011

What the United States can learn from the tiny island nation of Mauritius



By Joseph E. Stiglitz

Suppose someone were to describe to you a small country that provided free education through university for all of its citizens, transportation for school children, and free health care—including heart surgery—for all. You might suspect that such a country is either phenomenally rich or on the fast track to fiscal crisis.

After all, rich countries in Europe have increasingly found that they cannot pay for university education and are asking young people and their families to bear the costs. For its part, the United States has never attempted to give free college for all, and it took a bitter battle just to ensure that America's poor get access to health care—a guarantee that the Republican Party is now working hard to repeal, claiming that the country cannot afford it.

But Mauritius, a tropical island nation of 1.3 million people off the east coast of Africa, is neither particularly rich nor on its way to budgetary ruin. Nonetheless, it has spent the last decades successfully building a diverse economy, a democratic political system, and a strong social safety net. Many countries, not least the United States, could learn from its experience.

In a recent visit I had a chance to see some of the leaps Mauritius has taken—accomplishments that can seem bewildering in light of the debate in the United States and elsewhere. Consider home ownership: While American conservatives say that the government's attempt to extend home ownership to 70 percent of the U.S. population was responsible for the financial meltdown, 87 percent of Mauritians own their own homes—without fueling a housing bubble.

Now comes the painful number: Mauritius's GDP has grown faster than 5 percent annually for almost 30 years. Surely, you think, this must be some "trick." Mauritius must be rich in diamonds, oil, or some other valuable commodity. But Mauritius has no exploitable natural resources. Indeed, so dismal were its prospects as it approached independence from Britain, which came in 1968, that the Nobel Prize-winning economist James Meade wrote in 1961: "It is going to be a great achievement if [the country] can find

productive employment for its population without a serious reduction in the existing standard of living. ... [T]he outlook for peaceful development is weak."

As if to prove Meade wrong, the Mauritians have increased per capita income from less than \$400 around the time of independence to more than \$6,700 today. The country has progressed from the sugar-based monoculture of 50 years ago to a diversified economy that includes tourism, finance, textiles, and, if current plans bear fruit, advanced technology.

During my visit, my interest was to understand better what had led to what some have called the Mauritius miracle and what others might learn from it. There are, in fact, many lessons, some of which should be borne in mind by American and European politicians as they fight their budget battles.

First, the question is not whether we can afford to provide health care or education for all or ensure widespread homeownership. If Mauritius can afford these things, America and Europe—which are several orders of magnitude richer—can, too. The question, rather, is how to organize society. Mauritians have chosen a path that leads to higher levels of social cohesion, welfare, and economic growth—and to a lower level of inequality.

Second, unlike many other small countries, Mauritius has decided that most military spending is a waste. The United States need not go as far. If the United States reduced by just a fraction its defense spending, much of which goes toward weapons that don't work against enemies that don't exist, it would go a long way toward creating a more humane society, including the provision of health care and education to those who cannot afford them.

Third, Mauritius recognized that without natural resources, its people were its only asset. Maybe that appreciation for its human resources is also what led Mauritius to realize that, particularly given the country's potential religious, ethnic, and political differences—which some tried to exploit in order to induce it to remain a British colony—education for all was crucial to social unity. So was a strong commitment to democratic institutions and cooperation between workers, government, and employers—precisely the opposite of the kind of dissension and division being engendered by conservatives in the United States today.

This is not to say that Mauritius is without problems. Like many other successful emerging-market countries, Mauritius is confronting a loss of exchange-rate competitiveness. And as more and more countries intervene to weaken their exchange rates in response to America's attempt at competitive devaluation through quantitative easing, the problem is becoming worse. Almost surely, Mauritius, too, will have to intervene.

Moreover, like many other countries around the world, Mauritius worries today about imported food and energy inflation. To respond to inflation by increasing interest rates would simply compound the difficulties of high prices with high unemployment and an even less competitive exchange rate. Direct interventions, restrictions on short-term capital inflows, capital-gains taxes, and stabilizing prudential banking regulations will all have to be considered.

The "Mauritius miracle" dates to independence. But the country still struggles with some of its colonial legacies: inequality in land and wealth, as well as vulnerability to high-stakes global politics. The United States occupies one of Mauritius's offshore islands, Diego Garcia, as a naval base without compensation, officially leasing it from the United Kingdom, which not only retained the Chagos Islands in violation of international law but expelled its citizens and refuses to allow them to return.

The United States should now do right by this peaceful and democratic country: recognize Mauritius' rightful ownership of Diego Garcia, renegotiate the lease, and redeem past sins by paying a fair amount for land that it has illegally occupied for decades.