



***Republic
of
Mauritius***

**Annual Report
Financial
YEAR 2018 /2019**

**Ministry of Industry,
Commerce And
Consumer Protection
(Commerce Division)**

ANNUAL REPORT ON PERFORMANCE BY MINISTRIES/DEPARTMENTS

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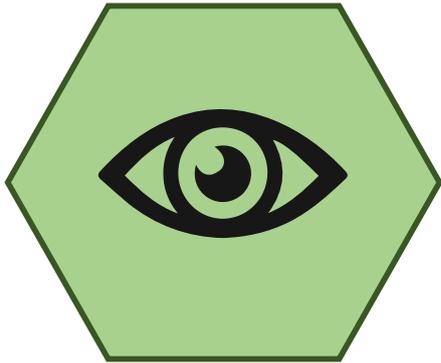
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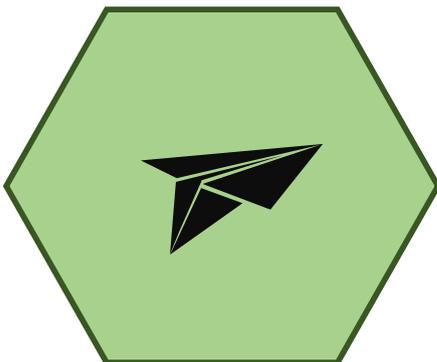
PART I – ABOUT THE MINISTRY

1.1 Vision and Mission of the Commerce Division of the Ministry of Industry, Commerce and Consumer Protection



Vision

Conducive commercial environment and effective protection of consumers



Mission

- ❖ **To ensure regular supply of essential commodities at affordable prices**
- ❖ **To fix and monitor prices of controlled commodities**
- ❖ **To facilitate trade of goods and services**
- ❖ **To promote and safeguard the interests and rights of consumers**

1.2 Supervising Officer's Statement

I present the 2018/2019 Annual Report of the then Commerce Division of the then Ministry of Industry, Commerce and Consumer Protection.

During that period, Mauritius entered a new phase of its development as far as “ease of doing business” and “trade facilitation” were concerned. The World Bank acknowledged that Mauritius was on the right path towards consolidating its position in the African continent as it has moved from 49th in 2016 to 25th in 2017 and to 20th on 2018 gaining 29 places within a span of only three years. The Commerce Division contributed a lot to that national achievement.

The Commerce Division had also embarked on the Registered Exporter System (REX) for Norway and Switzerland, two countries from which Mauritius benefits from duty free entry for eligible products. REX is a self-certification by economic operators on origin and in terms of business facilitation, it enables time saving for economic operators.

To further facilitate business, since 15 January 2019, bakeries do not have to apply for a bakery licence. The Price Fixing Information System (PFIS) which was set up in 2017 is now fully functional and all operations are effected online.

In its Vision 2030, the Government also announced the creation of new economic pillars, which included, inter-alia, the development of the petroleum and bunkering sector. The importation of petroleum products for bunkering purposes has been liberalized with effect from January 2014 and for the FY under review, there were 15 bunker traders who were allowed to import bunker fuels on their own. The total sales volume of bunker fuels for FY 2018/2019 was 593,228 MT as compared to 549, 575 MT for FY 2017/2018, representing an increase of 7.94%.

As from 01 January 2020, for ships operating outside designated Emission Control Areas, the International Marine Organisation (IMO) has set a limit for sulphur in fuel oil used on board ships of 0.50% m/m (mass by mass) against the current limit of 3.50%, which has been in effect since 01 January 2012. This will significantly reduce the amount of sulphur oxide emanating from ships and should have major health and environmental benefits for the world, particularly for populations living close to ports and coasts.

To enhance the welfare of the population, the prices of some essential commodities were reviewed downwards. In June 2018, the price of Liquid Petroleum Gas has been reduced from Rs 270 to Rs 240 per cylinder of 12 kg and was further reduced by Rs 30 following the Budget Speech in June 2019 bringing the price to Rs 210 per cylinder of 12 kg. As for Mogas in June 2019, the price was reduced from Rs 47 per litre to Rs 44 per litre and the price of diesel was reduced from Rs 38 per litre to Rs 35 per litre.

None of the above would have been possible without on the one hand the relentless direction and control of the then Hon. Minister of Industry, Commerce and Consumer Protection and on the other the support and collaboration of the staff of the then Commerce Division.

J. P. Rangan
Permanent Secretary

1.3 Roles and Functions of the Commerce Division of the Ministry of Industry, Commerce and Consumer Protection

ORGANISATIONAL STRUCTURE

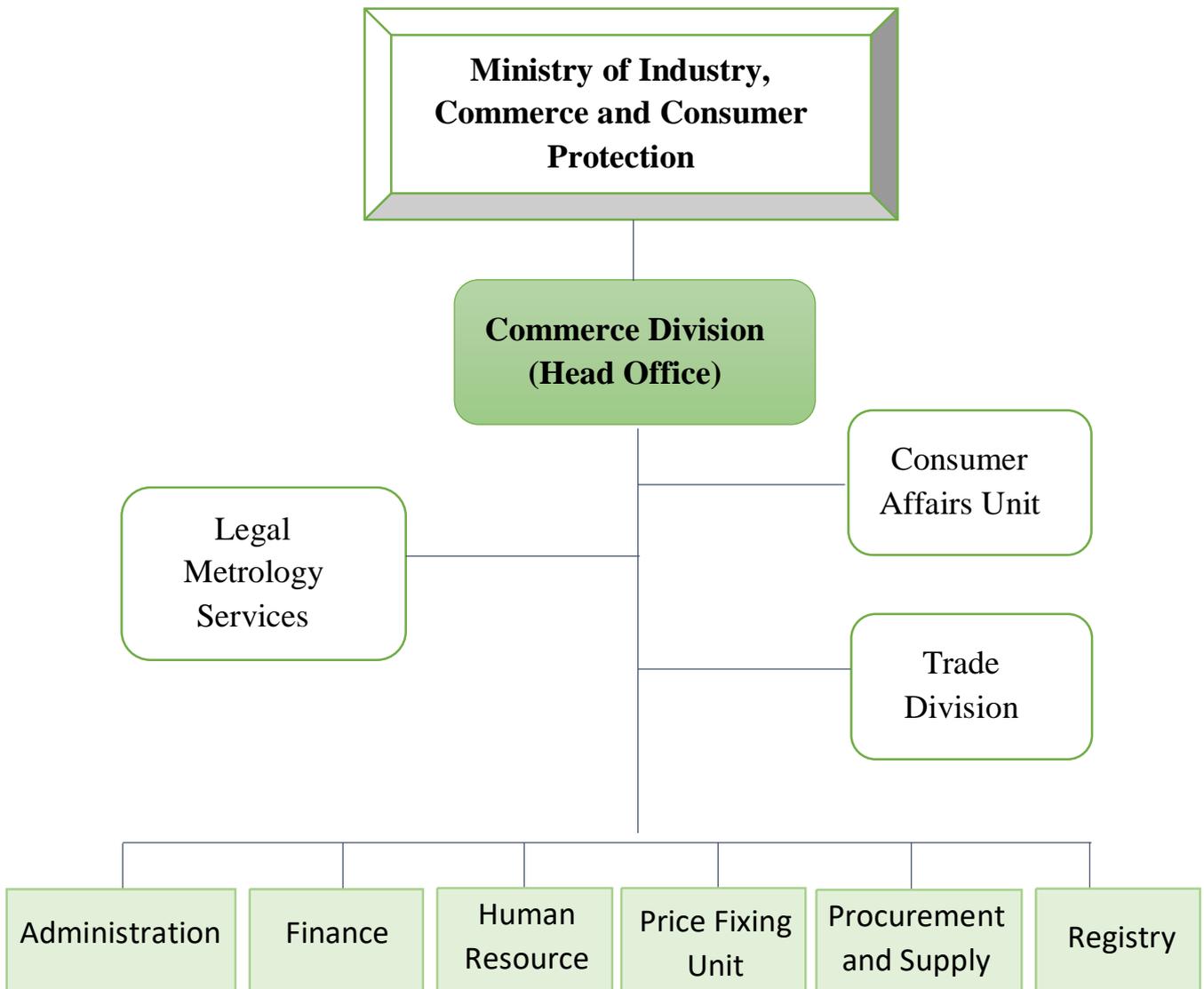


Figure 1: Organisational Structure

1.3.1 HEAD OFFICE

The Commerce Division comprises four units, namely; the Head Office, the Consumer Affairs Unit, the Legal Metrology Services and the Trade Division. The Head Office is responsible, amongst others, for the formulation and implementation of policies relating to matters falling under the purview of the Division. The Administration, Finance, Human Resources, Price Fixing Unit, Procurement and Supply sections as well as the Registry are based at the Head Office.

1.3.1.1 THE PRICE FIXING UNIT

The Price Fixing Unit (PFU) deals with the pricing of commodities which are subject to control through the Maximum Mark-Up and Maximum Recommended Retail Price systems. The Unit examines and verifies costings submitted by importers through the Price Fixing Information System (PFIS). Thereafter, the approved retail prices are communicated to respective importers via the PFIS. The main activities of the Unit are, amongst others, the verification and approval of prices of controlled commodities, keeping records of all approved prices and preparing lists of non-submission of costings. The legislations falling under the purview of the PFU are as follows:

- Consumer Protection (Price and Supplies Control) Act 1998;
- Consumer Protection (Consumer Goods) (Maximum Mark-Up) Regulations 1998;
- Consumer Protection (Control of Price of Taxable and Non-taxable Goods) Regulations 1998; and
- Rodrigues Consumer Protection (Control of Price of Taxable and Non-taxable Goods) Regulations 1998.

1.3.2 CONSUMER AFFAIRS UNIT

The Consumer Affairs Unit (CAU) is situated at Atchia Building, Suffren Street, Port Louis. It has the following main responsibilities: -

- (i) Enforcement of Consumer Laws;
- (ii) Handling of complaints from consumers;
- (iii) Consumer education and sensitization of traders; and
- (iv) Market surveillance and sampling of controlled goods.

The objectives and functions of the CAU are to: -

- (i) protect consumers by ensuring compliance with consumer laws;
- (ii) educate consumers about their rights and responsibilities through:

- talks delivered to different target groups in women’s associations, social welfare centres, local authorities and educational institutions;
 - radio and TV programmes;
 - organisation of consumer awareness campaigns; and
 - publication of booklets, flyers and posters on consumer protection;
- (iii) process complaints to the satisfaction of complainants or, otherwise, seek redress through legal means;
- (iv) carry out checks in trade premises for the enforcement of consumer laws;
- (v) contravene traders for non-compliance with consumer laws;
- (vi) conduct surveys and collect data on the costing, supply and distribution of controlled commodities;
- (vii) deal with complaints from consumers; and
- (viii) carry out sampling of steel bars, electric cables, PVC pipes and fittings, firecrackers and toys for the Mauritius Standards Bureau to ascertain compliance to applicable standards.

The CAU has recourse to the following legislations:

- The Consumer Protection Act 1991;
- The Fair Trading Act 1979;
- The Consumer Protection (Prices and Supplies) Control Act 1998;
- The Essential Commodities Act 1991; and
- The Hire Purchase and Credit Sale Act 1964.

1.3.2.1 National Price Consultative Council (NPCC)

The **National Price Consultative Council (NPCC)** was set up in July 2015 with the objectives to, *inter-alia*, advise the Minister on the formulation and implementation of policies relating to consumer protection and ensure the cooperation of consumer associations in matters affecting their interests. The NPCC consists of 11 members representing the public sector, business associations and consumer associations.

1.3.3 LEGAL METROLOGY SERVICES (LMS)

The Legal Metrology Services situated at Old Moka Road, Bell Village, is responsible for the calibration and maintenance of measurement standards, which are traceable to International Standards. It enforces the provisions of the Legal Metrology Act to ensure that weighing and measuring instruments used in trade and the pre-packing of commodities conform to legal requirements. It operates a mobile verification service and also offers an on-request calibration service to the industry with respect to mass, length and volume. The mass laboratory is accredited to ISO/IEC 17025:2005 by MAURITAS.

1.3.3.1 Services provided by the LMS

- Assizing (verification and stamping) of weighing and measuring instruments used in trade;
- Granting certificates of suitability to importers and manufacturers of weighing instruments;
- Calibration of weighing and measuring instruments for industry and other organizations;
- Calibration of storage tanks and vehicle tanks, diesel meters, flow meters;
- Supervision of the use of weighing and measuring instruments in trade;
- Control of the net contents of pre-packed goods to ensure that they are properly labelled and contain the quantity declared on the packages as per the Legal Metrology Act;
- Investigation of complaints relating to weights and measures; and
- Providing advice in the field of measurements.

The LMS operates in accordance with the following legislations:

- The Legal Metrology Act;
- The Legal Metrology (Assize) Regulations;
- The Legal Metrology (Periodical Assize) Regulations;
- The Legal Metrology (Prepacked Commodities) Regulations; and
- The Legal Metrology (Assize fees) Regulations

1.3.3.1.1 Organisation Internationale de Métrologie Légale

The LMS is a corresponding member of the International Organisation of Legal Metrology (OIML) and as such the LMS derives benefits as follows:

- Documentation in the field of Legal Metrology (International Recommendations, International Documents for guidance and special publications in specific field of Legal Metrology); and
- Information on pattern approval of instruments in the world for the issue of certificates of suitability.

1.3.4 TRADE DIVISION

The Trade Division is situated at Anglo Mauritius Building, Intendance Street, Port Louis. It is the technical arm of the Ministry for matters related to trade practices and the implementation of trade policies. The Division consists of seven sections namely:

- Export Permit section;
- Import Permit section;
- Rules of Origin section;
- Kimberley Process Scheme;
- Delivery Allowed section;
- Importation and sale of second-hand motor vehicles section; and
- Scrap Metal section.

The Trade Division deals with the importation and export of controlled goods; licensing and monitoring of the scrap metal sector and the licensing of dealers for the import and sale of second-hand motor vehicles.

The Trade Division is the recognised authority for the Registered Exporter System (REX) for Norway and Switzerland, and also for the issue of the following certificates:

- COMESA Certificates of Origin;
- African Growth and Opportunity Act (AGOA) Certificates;
- Textile Export Visa Certificates;
- Generalised System of Preferences (GSP) Certificates; and
- Kimberley Process Certificates

The Trade Division has recourse to the following legislations:

- the Consumer Protection (Export Control) Regulation 2000;
- the Consumer Protection (Control of Imports) Regulations 2017;
- the Consumer Protection (Importation and Sale of Second-hand Motor Vehicles) Regulations 2004; and
- the Consumer Protection (Scrap Metal) Regulations 2007.

1.4 Statutory Body falling under the Commerce Division

1.4.1 STATE TRADING CORPORATION

The State Trading Corporation (STC) is the trading arm of the Government of Mauritius in respect of importation of essential commodities. It was set up under the STC Act 1982. The Corporation is a parastatal body wholly owned by the Government of Mauritius and reports to the Ministry of Industry, Commerce and Consumer Protection. The STC is entrusted with the responsibility of importing and supplying the domestic market with essential commodities, namely petroleum products, Liquefied Petroleum Gas (LPG), Flour and Long Grain and Basmati Rice and it operates on a non-profit making basis.

In line with Government policy to make available basic commodities at affordable prices to the population, STC provides subsidy on Long Grain Rice, Flour and LPG. The retail prices of these commodities are fixed by the Government.

The STC imports annually about 1.2 million MT of petroleum products, including Fuel Oils for the Central Electricity Board. They are sold to the Oil Companies namely Engen Petroleum (Mauritius) Ltd, Indian Oil Mauritius Ltd, Total Mauritius Ltd and Vivo Energy Mauritius Ltd for storage and distribution.

The STC also imports about 75,000 MT of LPG, 22,000 MT of long grain white rice and 100,000 MT of wheat flour annually. Since the last five years, the STC has also been importing more than 3,000 MT of basmati rice.

The Corporation is responsible for the shipment of Rice, Flour and Sugar to Rodrigues. It also ensures the storage and sale of these commodities to wholesalers and retailers. The Corporation ensures the smooth, adequate and continuous supply of these commodities. About 1,000 MT of Rice, Flour and Sugar are kept at any point in time in the Rodrigues warehouse.

In the year 2016, the State Trading Corporation Act has been amended whereby STC was entrusted the responsibility to engage in the storage of petroleum products and promotion and development of bunkering and petroleum-related activities. STC was also permitted to acquire or hold any interest in any other agency or body of persons, whether corporate or unincorporated, for the purpose of its activities.

Accordingly, in December 2016, following Government decision, STC became a Shareholder in Mer Rouge Oil Storage Terminal Co. Ltd, a private company which owns 5 storage tanks with a total capacity of 25,000 metric tons (MT) of petroleum products (15,000 MT Mogas and 10,000 MT Gas Oil) at Mer Rouge.

STC is also actively participating in studies for the development of the bunkering sector and the use of Liquefied Natural Gas (LNG) in Mauritius.

1.5 Gender Statement

The Commerce Division has always supported Government's initiative in respect of the mainstreaming of gender equality in all policy areas. This initiative is in line with the Government commitments taken at international level especially those aligned to the Convention on the Elimination of All forms of Discrimination Against Women (CEDAW), adopted in 1979 and the Beijing Platform for Action in 1995.

In line with the National Gender Policy Framework of 2008 which calls upon all Ministries to engender their respective policies, the Ministry organised a workshop on women on 23 May 2019 which brought together some 55 participants working both for the Industry and Commerce divisions. Other stakeholders such as women entrepreneurs were also invited to share their experiences.

1.6 Our People

1.6.1 Senior Management

Head Office	
Administration	
<i>Designation</i>	<i>Contact Details</i>
Ag Senior Chief Executive	Mr F. Chuttan Phone: 211 8470 (through CS) Fax: 211 8476 E-mail: fchuttan@govmu.org
Deputy Permanent Secretary	Mrs P. Dassaye Phone: 213 4884 (through CS) Fax: 213 5265 E-mail: pdassaye@govmu.org
Assistant Permanent Secretary	Mrs F. Chamroo-Jaddoo Phone: 210 3774 Fax: 201 3289 Email: fchamroo@govmu.org
Assistant Permanent Secretary	Mr S. Kissoon Phone: 210 3774 Fax: 201 3289 Email: sakissoon@govmu.org
Assistant Permanent Secretary	Mrs R. Mohuddy Phone: 210 3774 Fax: 201 3289 Email: bmohuddy@govmu.org
Analysts/Senior Analysts	Mr N. Raffique Phone: 210 3774 Fax: 201 3289 Email: nraffique@govmu.org
	Mr S. Allykhan Phone: 210 3774 Fax: 201 3289 Email: saallykhan@govmu.org
Manager, Human Resources	Mrs L. Appaya Phone: 210 3774 Fax: 201 3289 Email : lappaya@govmu.org
Assistant Manager, Human Resources	Mr S. Chinaappadu Phone: 210 3774 Fax: 201 3289 Email : schinaappadu@govmu.org

Manager, Financial Operations	Mrs N. Luk-Ok-Choo Phone: 210 3774 Fax: 201 3289 Email: nluk-ok-choo@govmu.org
Assistant Manager, Financial Operations	Mrs N. Ramasamy Phone: 210 3774 Fax: 201 3289 Email: nnaidoo-ramasamy@govmu.org
Consumer Affairs Unit	
<i>Designation</i>	<i>Contact Details</i>
Head	Mr A. Seetohul Phone: 206 8070 Fax: 211 3010 E-mail : aseetohul@govmu.org
Legal Metrology Services	
<i>Designation</i>	<i>Contact Details</i>
Director	Mrs T. Bagha Phone: 208 1717 (through CS) Fax : 211 4543 Email : tbagha@govmu.org
Trade Division	
<i>Designation</i>	<i>Contact Details</i>
Director of Trade	Mr P. Radha Phone: 212 5462 (through CS) Fax : 208 7325 Email : pradha@govmu.org

Table 1: Senior Management Team

1.6.2 Human Resource Allocation

The human resources position of the Commerce Division is depicted below:

<i>Grades</i>	<i>Number</i>
ADMINISTRATION	
Acting Senior Chief Executive	1
Deputy Permanent Secretary	1
Administrative Cadre	3
Analyst/Senior Analyst	2
Human Resource Cadre	3
Finance Cadre	5
Receptionist/Telephone Operator	3
General Services Staff	66
Director of Trade	1
Senior Analyst (Trade)	2
Analyst (Trade)	4
Trade Information Officer	1
Commercial Officer	1
Assistant Commercial Officer	1
LEGAL METROLOGY SERVICES	
Director Legal Metrology Services	1
Deputy Director Legal Metrology Services	1
Legal Metrologist	2
Legal Metrology Officer	7
Senior Technical Officer	1
Technical Officer	3
CONSUMER AFFAIRS UNIT	
Head, Consumer Affairs Unit	1
Senior Consumer Affairs Officer	3
Consumer Affairs Officer	30
OTHERS	
Worksmen's Group	26
Service to Mauritius Interns	4
Trainees under YEP	6
TOTAL	180

Table 2: Staffing position as at 30 June 2019

1.6.3 Workforce Planning

An annual human resource planning is carried out during budget preparation where discussions and consultations are held with Head of Sections regarding their human resource requirements. Subsequently, management submits its proposals together with justifications to the Ministry of Finance and Economic Development (MOFED) and the Ministry of Civil Service and Administrative Reforms (MCSAR). Emphasis is laid on urgent filling of vacancies so as not to hamper smooth delivery of services but these are subject to availability of funds from MOFED. Additionally, if any shortage of staff arises during the course of the year, a proposal is made to the MOFED for funds.

As and when required, a manpower assessment is carried out in specific units of the Division with a view to assessing whether the human resources available match the prevailing workload. Consequently, based on the outcome of the exercise, remedial action is taken by Management such as reviewing work systems, redeployment of staff, reinforcing teams by additional staff, as appropriate.

1.6.4 Performance Management System (PMS)

The objective of PMS is to bring about improvements in the organizational effectiveness as well as individual and team performances. The PMS process provides a means of bringing and consolidating relationship among staff and identifying training and development needs. It is also a means of increasing the engagement and motivation of staff by providing positive feedback and recognition. Staff in general, in particular those taking the role of Appraiser are constantly advised to give an objective assessment with a view to increasing performance.

1.6.5 Training and Staff Development

The Commerce Division is committed to the development of its human resources. An elaborated training plan has been prepared by the Training Committee. A variety of training programmes are provided to staff locally to equip them with the necessary knowledge and skills to enable them to perform better. In addition, as and when opportunities crop up, staff also attend workshops and seminars abroad.

1.6.6 Safety and Health at the Workplace

In accordance with Section 21 of the Occupational Safety and Health Act 2005, a Safety and Health Committee has been set up at the Division. Meetings are held every two months to look into safety and health issues across all units of the Ministry. A Safety and Health Officer from the MCSAR assists and advises the Ministry in all aspects of safety and health at the Division. The officer works in close collaboration with Management to see to it that the workplace is safe and does not present

any risk to the good health of officers. Recommendations and proposals from the Committee are always given urgent attention with a view to eliminating any risk to safety and health.

1.6.7 Work Life Balance

A vacation leave roster is prepared at the start of the year. Upon request, officers are granted vacation leave for rest and other family commitments. This allows employees to maintain a good work life balance.

On the occasion of special events such as Independence Day, Christmas, New Year and other national festivals, activities are organized in a spirit to consolidate team building and promote a more conducive working environment.

1.6.8 Workshop on Gender Mainstreaming

The Ministry of Industry, Commerce and Consumer Protection organized a one -day workshop on Women, Industry and Trade on 23 May 2019 at Ravenala Attitude Hotel, Balaclava. The workshop was facilitated by Mrs W. Lichuma, International Consultant. The workshop brought together a total of 55 participants working both for Industry and Commerce and other stakeholders engaged in the sector including identified women entrepreneurs to share their experiences.

PART II– ACHIEVEMENTS AND CHALLENGES

2.1 Major Achievements for FY 2018/19

Based on the goals and objectives set, the main achievements for the year under review are as follows:

2.1.1 Head Office

1. An amendment was brought to the Hire Purchase and Credit Sale Act to provide that no dealer shall claim any surcharge for late payment of instalment.
2. In June 2018, the price of Liquid Petroleum Gas was reduced from Rs 270 to Rs 240 per cylinder of 12 kg and was further reduced by Rs 30 following the Budget Speech in June 2019 bringing the price to Rs 210 per cylinder of 12 kg.
3. The price for mogas and diesel were reduced from Rs 47 per litre to Rs 44 per litre and the price of diesel was reduced from Rs 38 per litre to Rs 35 per litre.
4. For FY 2018/2019, there were 15 bunker traders who were allowed to import bunker fuels on their own. The total sales volume of bunker fuels for FY 2018/2019 was 593,228 MT as compared to 549,575 MT for FY 2017/2018, representing a % increase of 7.94%.
5. The VAT mechanism has been reviewed in respect of bread where VAT at the rate of zero has been rated to bakeries resulting in maintaining of price of scheduled bread at Rs. 2.60 (100g) despite an increase in production cost

2.1.2 Price Fixing Unit (PFU)

For the period July 2018 to June 2019, a total number of 5,363 returns of costs were processed for controlled products; 4,938 for Mauritius and 425 for Rodrigues. 30 amendments were brought to the Rodrigues Consumer Protection (Control of Price of Taxable and Non-taxable Goods) Regulations 1998.

2.1.3 Consumer Affairs Unit

The activities of the Consumer Affairs Unit (CAU) for the period July 2017 to June 2018 are depicted below:

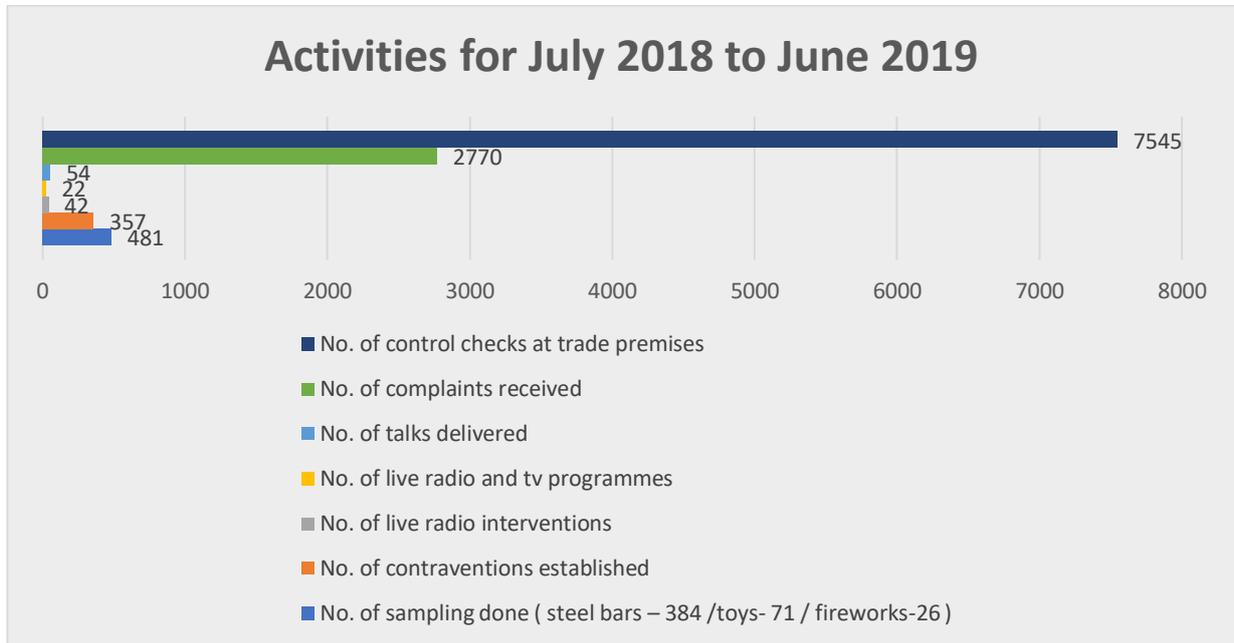
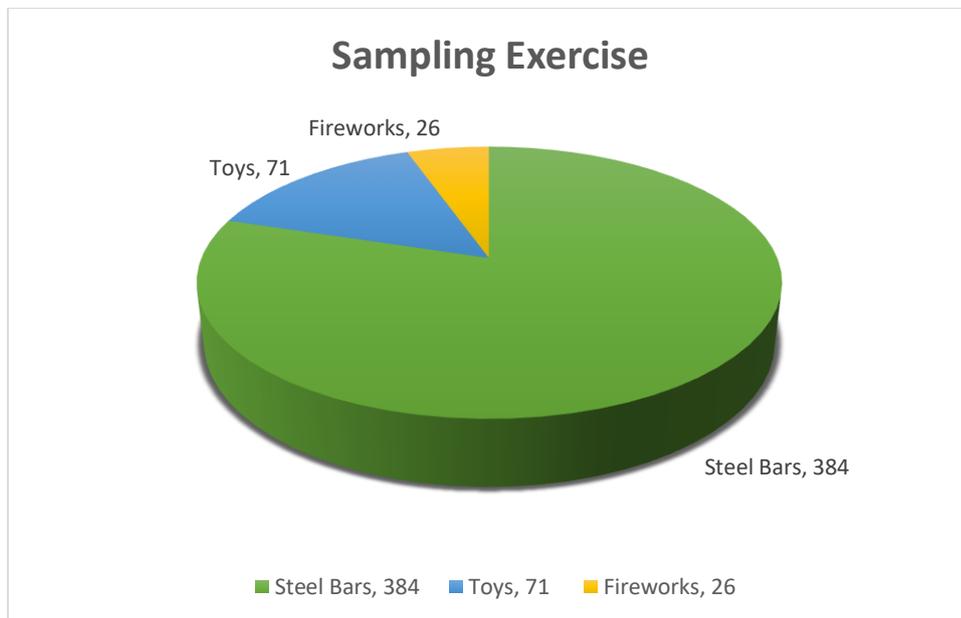


Figure 2: Activities of CAU for FY 2018/19

The breakdown of the sampling per category of goods is illustrated below:



Total No. of Sampling done: 481

Figure 3: Sampling done by CAU for FY 2018/19

- (i) In line with Government's objective to promote e-services, a mobile app on "Consumer Rights" was launched in March 2018. Consumers are, therefore, able to submit complaints through mobile phones;
- (ii) On 15 March 2018, to mark the World Consumer Rights Day, a Facebook page of the Commerce Division was launched, thereby enabling consumers to interact with the Ministry with regards to complaints, information and advice;
- (iii) Amendments were brought to the Consumer Protection (Safety Requirements) Regulations to allow consumers to import domestic or household appliances and other electrical accessories for personal use;
- (iv) Amendments were also brought to the Toys (Safety) Regulations to allow consumers to import toys for personal use; and
- (v) The Fair Trading Act was amended to include "Handicraft products" on the list of goods which should bear a label indicating the country of origin.

2.1.4 Legal Metrology Services

The breakdown of the operations of the LMS for the period 01 July 2018 to June 2019 is as follows:

SN	Details of Activities	Number
1	No. of instruments verified for trade purposes	10,370
2	No. of instruments calibrated for Industries & others	948
3	No. of instruments verified/ calibrated in Rodrigues	
4	No. of instruments verified at Mobile Verification	3,216
5	No. of petrol pumps verified	743
6	No. of weighbridges verified	40
	Inspections	
7	No. of traders visited	1,686
8	No. of packers visited	48
9	No. of petrol pumps inspected	304
10	No. of contraventions established	79
11	No of complaints investigated	23
	Certificates of Suitability	
12	Number of certificates issued	47
	Clients July 2018 – June 2019	
	Total	6,386
	Traders	5,665 (of which 2,516 for mobile verification)
	Mobile Verification	2,516
	On request calibration	293
	Filling stations	206
	Revenue collected July 2018 – June 2019	Rs 5,162,457.54

Table 3: The number of operations of LMS for FY 2018/19

Every year, the World Metrology Day is celebrated on the 20 May. The LMS organized a sensitization programme to raise awareness of the trade communities, the consumers and the public at large through distribution of pamphlets and talks. Pamphlets on the Legal Metrology Act and the Legal Metrology (Prepacked Commodities) Regulations were also distributed at market fairs, supermarkets and commercial centres in different regions of the island. Moreover, talks on Legal Metrology were organised at different Social Welfare Centres.

2.1.5 Quality Management System

The Legal Metrology Services which has been accredited by MAURITAS to meet the requirements of ISO 17025: 2005 has extended its scope of accreditation in the field of mass for the calibration of

Non automatic Weighing Instruments of accuracy class II, III and IIII, in addition to calibration of mass pieces of accuracy class up to F₂.

2.1.6 Trade Division

A breakdown of the activities of the Trade Division for the FY 2018/19 is tabulated hereunder:

Permits/clearances	Total
No. of Import Permits (Including Second Hand Motor Vehicles)	13850
Authorisation granted for clearance (Including Second Hand Motor Vehicles)	12121
No. of Export Permits	7376
No. of COMESA certificates issued	1269
No. of AGOA certificates issued	4661
No. of VISA certificates issued	320
No. of Generalised System of Preferences certificates issued	756
No. of Kimberley certificates issued	36
Total No. of Permits	40,389
Revenue Generated for Financial Year 2018 - 2019 (July 2018- June 2019)	
	(Rs)
Scrap metal fees	292,250
Import permits and renewal of second hand car dealers licences	4,860,000
Scrap Metal Penalty	24,500
Import Fee	1,032,000
Total revenue generated (Rs)	6,208,750

Table 4: The number of permits/licences/certificates/clearances issued and revenue collected for FY 2018/19

The Trade Division has implemented the Registered Exporter System (REX System) for certification of origin of goods that applies in the Generalised System of Preference (GSP) of Norway and Switzerland which will be fully operational in January 2020. Since January 2019, there is a parallel run of the current paper-based system and the electronic REX system.

2.2 Status on Implementation of Budget Measures

Para in Budget Speech	Budget Measure	Status
79	To set a higher standard of quality and safety for imported products, certain food items will not be allowed to be imported if only less than fifty percent of the expiry date is left.	The Consumer Protection (Shelf Life of Imported Food Products) Regulations 2019 is being finalised by the Attorney General's Office
231	First, regulations under the Hire Purchase and Credit Sales Act will be amended to remove any surcharge on late payments.	Effective as from 18 July 2018.
231	Blood Glucose Strips will be placed on the list of controlled commodities under the maximum mark-up system resulting in a decrease of between Rs 40 and Rs 170 per pack of 50 strips.	Effective as from 28 June 2018.
232	Reduction in the retail price of mogas from Rs 52 to Rs 49.65 the retail price of Gas oil (Diesel) from Rs 41.90 to Rs 40.	Effective as from 15 June 2018.
233	Reduction in the retail price of Liquefied Petroleum Gas from Rs 270 to Rs 240.	Effective as from 15 June 2018.
A.2	<p>The 15% customs duty on acoustic doors and the 10% customs duty on iron bars will be abolished</p> <p>Presently, imported non-blended edible oil is subject to 10% customs duty whereas blended oil is duty free. To correct this anomaly, customs duty on imported blended oil will be aligned to 10%.</p>	The Consumer Affair Officers have conducted market surveys to ensure that same is applicable.
C.4.	The Consumer Protection (Price and Supplies Control) Act will be amended to allow the Minister, responsible for the subject of consumer protection, to make regulations regarding the collection of contribution by the State Trading Corporation.	Implemented through the Finance Act 2018

Table 5 : Status on Implementation of Budget Measures for Commerce Division for FY 2018/19

2.3 Status on Implementation of Key Actions

Key Action	Key Performance Indicator	Target	Status
Development of bunker trade	Percentage increase in bunker sales	8%	A growth of 7.94% has been achieved for FY 2018/19.

Table 6: Status on Implementation of Key Actions for the Commerce Division for FY 2018/19

2.4 Risk Management, Citizen Oriented Initiatives and Good Governance

2.4.1 Anti-Corruption Committee

The Commerce Division of the Ministry of Industry, Commerce and Consumer Protection continuously aims at maintaining a corruption free environment and enhancing public trust.

The Anti-Corruption Committee has been set up with head of units as well as officers of the different cadres as members. The Committee has adopted an anti-corruption framework whereby all activities of the Division are viewed and reviewed to identify areas which are prone to corruption.

In this respect, corruption prevention reviews have been carried out as follows:

- (i) regulation of scrap metal activities by the Trade Division;
- (ii) enforcement in relation to assizing of instruments by the Legal Metrology Services; and
- (iii) the monitoring of standards of locally produced/imported steel bars and of imported toys by the Consumer Affairs Unit.

The recommendations emanating from the corruption prevention reviews are discussed and implemented within the minimum delay. Sensitisation and training sessions are conducted for the officers of the Ministry with the assistance of ICAC on issues related to corruption.

The Commerce Division will continue to strive towards achieving a corruption free environment and to promote transparency, accountability and fairness in the system and procedures as well as reducing opportunities for malpractices at all levels.

PART III– FINANCIAL PERFORMANCE

3.1 Financial Highlights

The Commerce Division has two votes under its control as follows:

- ❖ Commerce and Trade Development.
- ❖ Consumer Protection and Market Surveillance.

Revenue Collected by the Commerce Division relate to the following vote items: -

- ❖ Revenue Scrap Metal.
- ❖ Bunkering/Licenses.
- ❖ Import Permit License.
- ❖ Legal Metrology - Duty on Scales.
- ❖ Trade Fairs.

An illustration of the revenue collected by the Commerce Division is shown below:

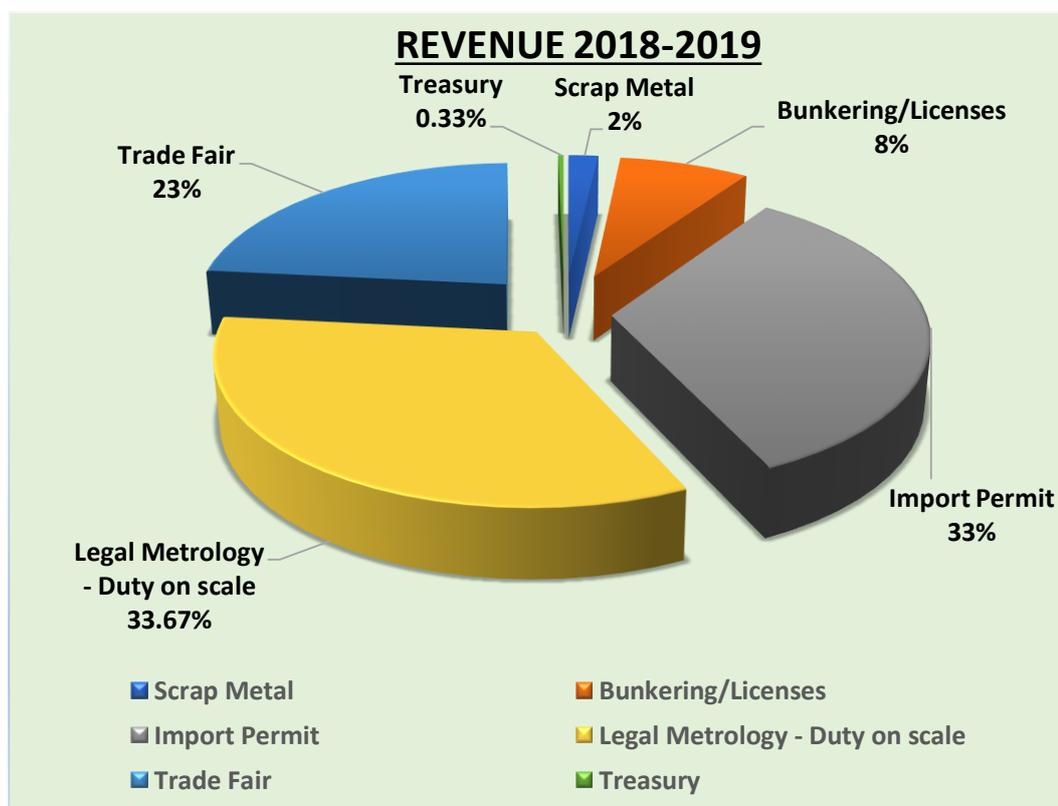


Figure 4: Revenue Collected by the Commerce Division for FY 2018/19

An illustration of expenditure incurred by the Commerce Division is as hereunder:

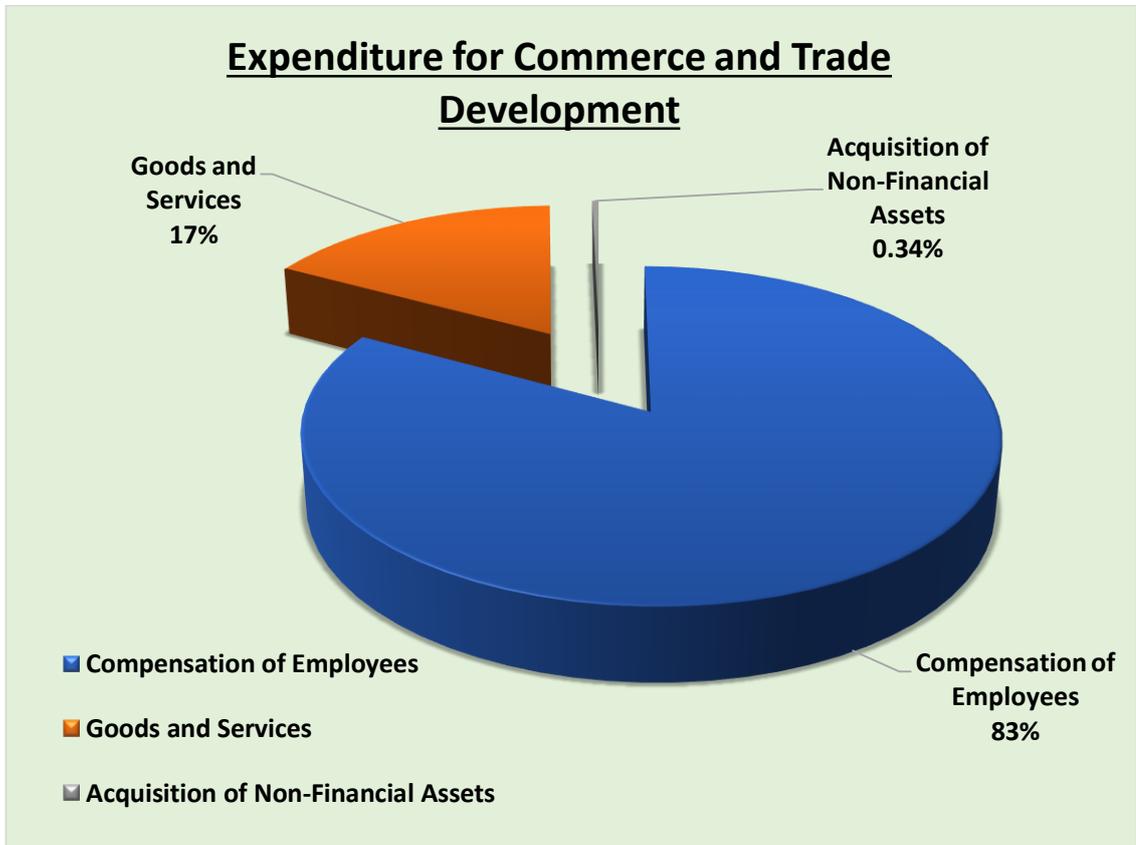


Figure 5: Expenditure for Commerce and Trade Development for FY 2018/19

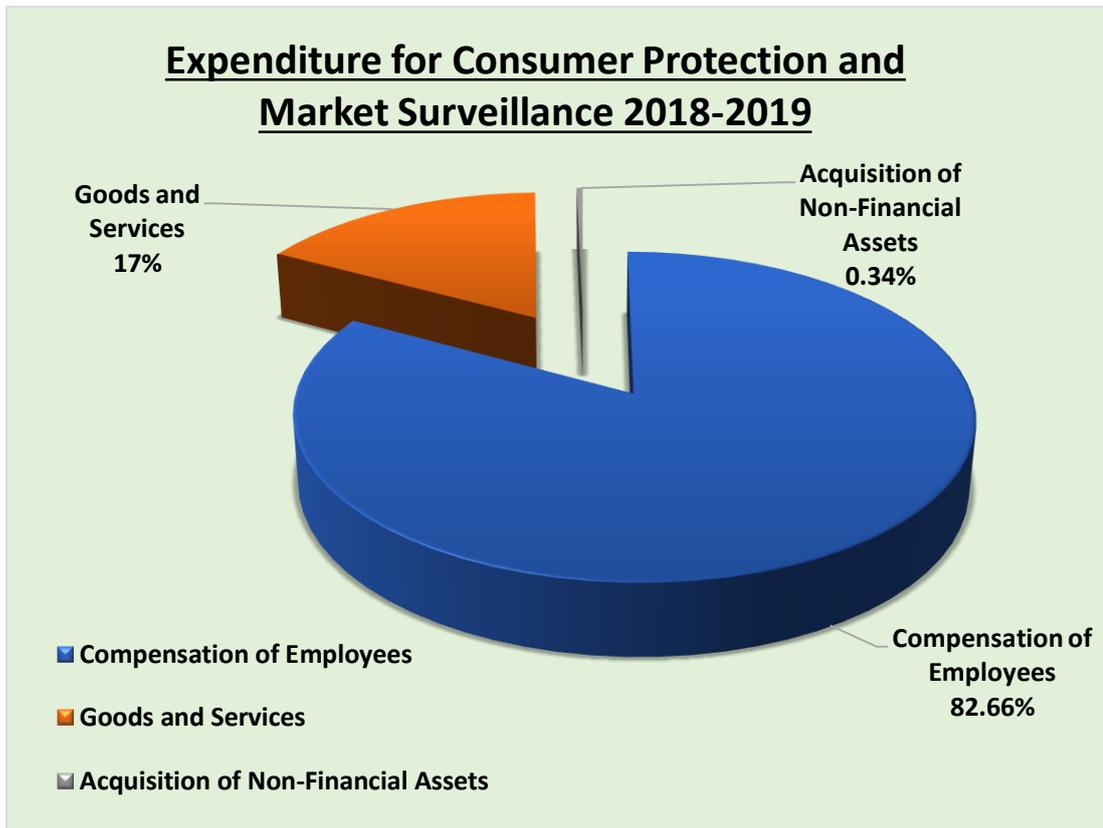


Figure 6: Expenditure for Consumer Protection and Market Surveillance for FY 2018/19

3.2 Analysis of Major Changes

3.2.1 Revenue

A comparative breakdown of revenue collected by the Commerce Division for the FY 2017/18 and 2018/19 is given below:

Analysis of revenue collected by the Commerce Division for FY 2017/18 and 2018/19

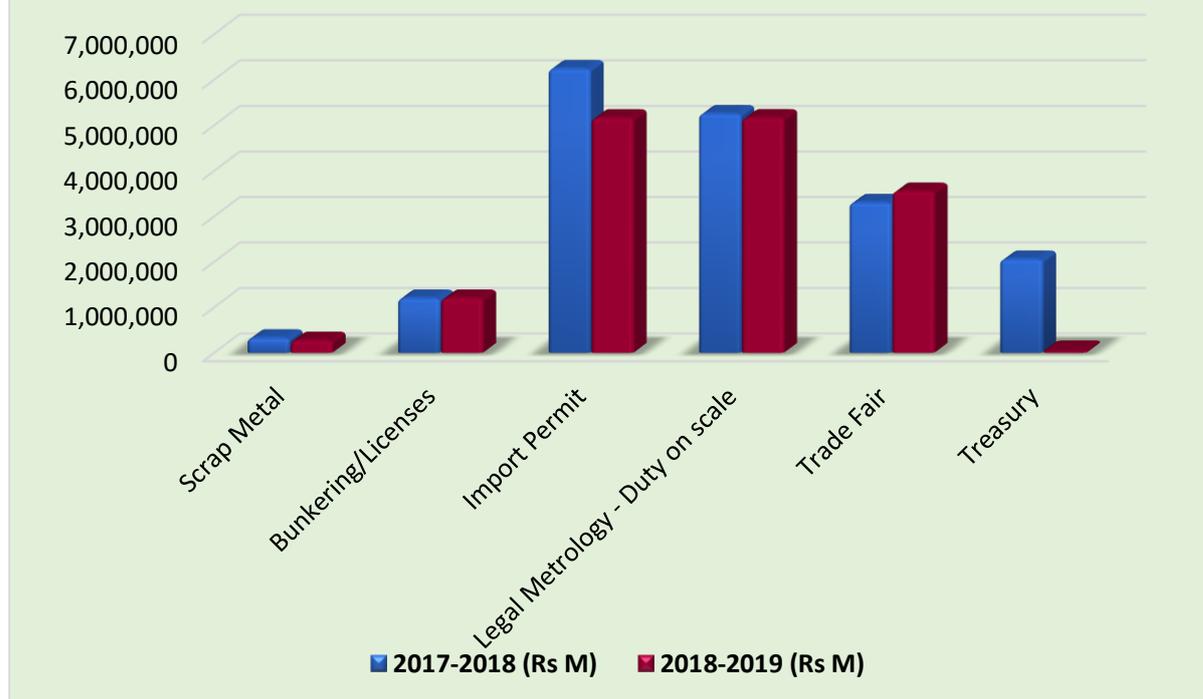


Figure 7 : Analysis of revenue collected by the Commerce Division for FY 2017/18 and 2018/19

A total revenue of Rs 15.4 M was collected for FY 2018/19. Import Permit Licences, Legal Metrology – Duty on Scales and Trade Fairs represent 33%, 33.67% and 23% respectively. For FY 2017/18, the total revenue collected amounted to Rs 18.4 M. There has been a decrease in all the items except for Trade Fair. The decrease of about Rs 2M representing a percentage of 98%, in the item Treasury is due mainly to a reduction in the number of fines payable in relation to import permits.

3.2.2 Expenditure

Seventy-two per cent (72%) of expenditure has been incurred on Compensation for employees under vote item Commerce and Trade Development and eighty three per cent (83%) for Consumer Protection and Market Surveillance for FY 2018/19.

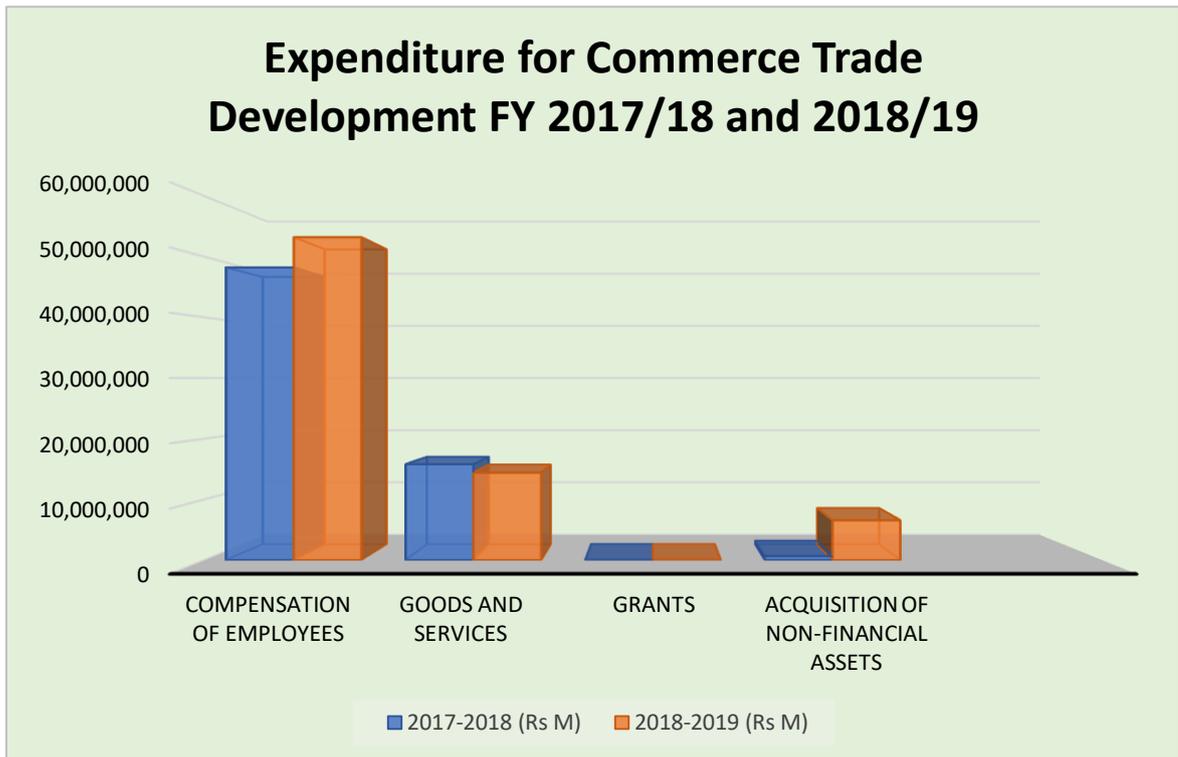


Figure 8: Expenditure for Commerce and Trade Development for FY 2017/18 and 2018/19

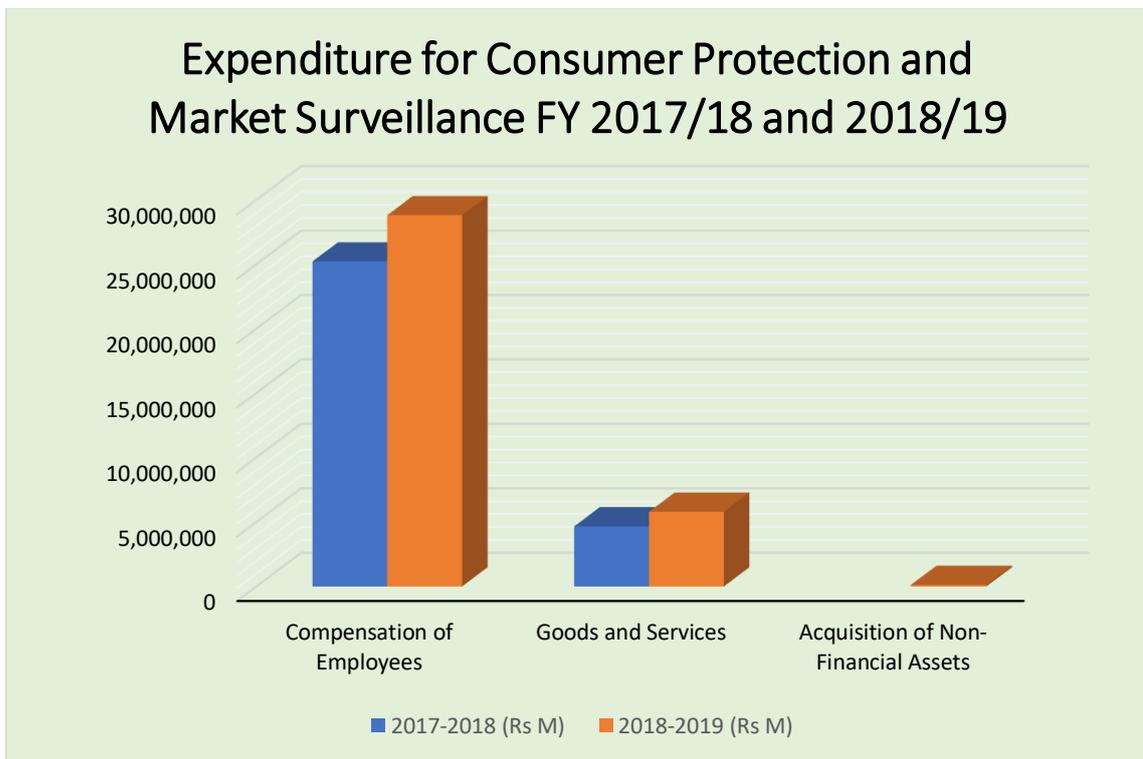


Figure 9: Expenditure for Consumer Protection and Market Surveillance for FY 2017/18 and 2018/19

3.3 Statements of Revenue and Expenditure

3.3.1 Statement of Revenue

A summary of total revenue collected by the Commerce Division for FY 2017/18 and 2018/19 is given below:

Revenue	2017-2018 Actual (Rs million)	2018-2019 Estimates (Rs million)	2018-2019 Actual (Rs million)
Revenue Scrap Metal	326,000	306,000	274,000
Bunkering/Licenses	1,200,000	1,100,000	1,200,000
Import Permit License	6,240,000	5,400,000	5,160,000
Legal Metrology - Duty on Scales	5,253,828	5,400,000	5,162,458
Trade Fair	3,300,000	3,000,000	3,550,000
Treasury (Fines)	2,055,982	215,000	50,250
Total Revenue	18,375,810	15,421,000	15,396,708

Table 7: Statement of Revenue for FY 2017/18 and 2018/19

3.3.2 Statement of Expenditure

A summary of the total expenditure incurred by the Commerce Division for FY 2017/18 and 2018/19 is given below:

Commerce and Trade Development			
Head/Sub-Head of Expenditure	2017-2018 Actual (Rs million)	2018-2019 Estimates (Rs million)	2018-2019 Actual (Rs million)
Compensation of Employees	48,214,696	56,000,000	53,194,784
Goods and Services	15,797,342	15,435,000	14,411,124
Grants	56,605	65,000	55,198
Acquisition of Non-Financial Assets	668,978	10,900,000	6,572,412
Total	64,737,621	82,000,000	74,233,518
Consumer Protection and Market Surveillance			
Head/Sub-Head of Expenditure	2017-2018 Actual (Rs million)	2018-2019 Estimates (Rs million)	2018-2019 Actual (Rs million)
Compensation of Employees	25,215,618	31,280,000	28,811,338
Goods and Services	4,655,735	6,920,000	5,787,301
Acquisition of Non-Financial Assets	0.00	200,000	119,363
Total	38,400,000	36,300,000	34,718,002

Table 8: Statement of Revenue for FY 2017/18 and 2018/19

3.3.3 Commerce and Trade Development

Acquisition of Non-Financial Assets was estimated at Rs 10,900,000 and only Rs 6,572,412 was spent. The amount spent was for the acquisition of equipment such as standard masses, proving measure and mass comparator for the Legal Metrology Service.

3.3.4 Consumer Protection and Market Surveillance

Acquisition of Non-Financial Assets was estimated at Rs 200,000 and only Rs 119,363 was spent and it represented 10% retention money paid for the Price Fixing Information System (PFIS)

PART IV – WAY FORWARD

4.1 Trends and Challenges

In order to keep pace with upcoming challenges, the Commerce Division has to continuously keep abreast of changes occurring in the internal and external environments and adopt the relevant strategies to ensure and maintain effective and efficient service delivery.

The Single Window Platform has allowed the Trade Division to move from a combined manual/electronic system to a completely automated electronic system, resulting in a reduction in dwell time for clearance of goods, reduced cost of doing business, 24/7 access to the portal via the internet as well as allowing traders to track the progress of their applications in real time. Consequently, the lead-time for processing and approval of import and export permits has been reduced from some three days to around a few hours.

With a view to enhancing the protection of consumers, the Commerce Division will strive towards the following: -

- (i) Review and amend consumer laws in line with international trends and environment;
- (ii) Use legislative tools to ensure that the rights of consumers are respected and that trade is carried out by fair means;
- (iii) Resolve complaints of consumers from a manual based system to a digitalised process through the Citizen Support Portal; and
- (iv) Improve awareness campaigns for consumers.

The use of measuring instruments and tools influences many aspects of our daily commercial, economic and industrial activities. The Legal Metrology Services (LMS) thus have to adapt to technological changes to meet the needs and expectations of users and businesses. In this respect, the tools and equipment of the LMS are being continuously upgraded, replaced and renewed.

4.1.1 Development of Mauritius as a Petroleum and Bunkering Hub

In line with Government's Vision 2030 to develop new pillars of the economy, the development of Mauritius into a petroleum and bunkering hub will be beneficial to the country by increasing growth in international trade and catalyzing ancillary activities. The benefits to the country will include creation of direct and indirect employment and result in multiplier effects to the wider economy.

Accordingly, in December 2016, following Government decision STC became a Shareholder in Mer Rouge Oil Storage Terminal Co. Ltd, a private company which owns 5 storage tanks with a

total capacity of 25,000 metric tons (MT) of petroleum products (15,000 MT Mogas & 10,000 MT Gas Oil) at Mer Rouge.

A Detailed Feasibility Study for the setting up of an oil terminal and a jetty at Albion is currently in process. A Joint Working Group comprising the State Trading Corporation, Mangalore Refinery and Petrochemicals Ltd and Indian Oil Corporation Ltd has been entrusted to carry out the feasibility study to Engineers India Ltd. Most of the studies are being carried out by foreign consultancy firms as Mauritius lacks such competencies in the petroleum sector and the Detailed Feasibility Report is expected from the consultant soon.

4.1.2 Introduction of Liquefied Natural Gas (LNG)

The Ministry, through the State Trading Corporation, is collaborating with the Ministry of Energy and Public Utilities and the Central Electricity Board to carry out a feasibility study on the introduction of LNG in Mauritius. This will be highly beneficial to the environment and ensure the sustainable development of Mauritius.

4.2 SWOT Analysis

The SWOT analysis of the Commerce Division is as follows:

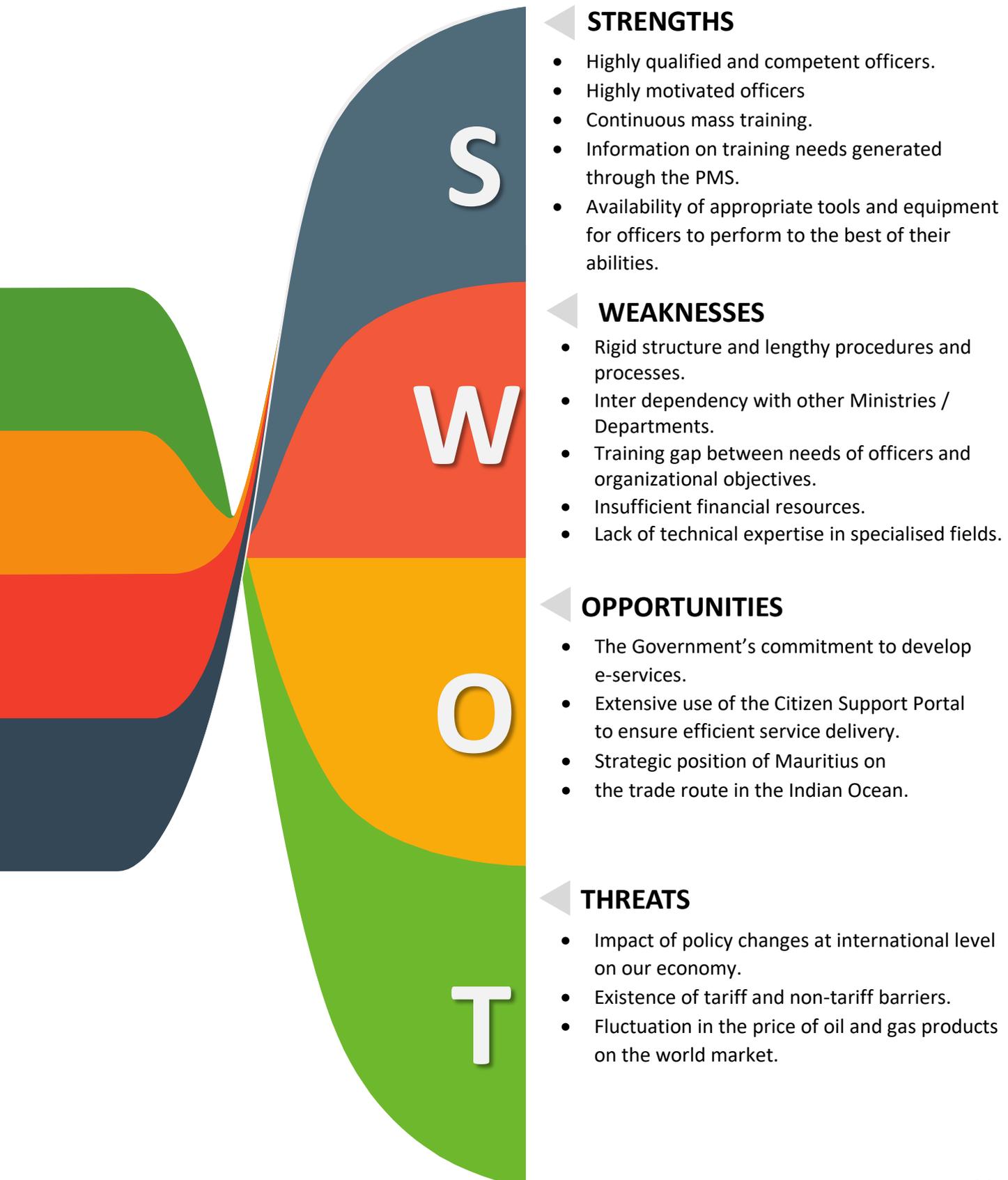


Figure 10: SWOT Analysis

4.3 Strategic Direction

In order to achieve its vision, the Commerce Division will:

- continue to ensure adequate and continuous supply of essential commodities at affordable prices and facilitate trade through simplified, customer friendly processes and procedures;
- develop Mauritius as a petroleum and bunkering hub in the region; and
- develop a new consumer protection framework to enhance the protection of consumers.