This action is funded by the European Union

**ANNEX 3**


**Improving the Business and Investment Climate Project in Mauritius**

| 1. Title/basic act/CRIS number | Mauritius EPA Support Project for Improving the Business and Investment Climate  
| CRIS number: RSO/FED/038-549  
| Financed under the 11th European Development Fund (EDF) |
| 2. Zone benefiting from the action/location | Republic of Mauritius  
| The action shall be carried out at the following location: Republic of Mauritius |
| 4. Sector of concentration/thematic area | Regional Economic Integration  
| DEVAID : Yes |
| 5. Amounts concerned | Total estimated cost : EUR 9 000 000  
| Total amount of EDF contribution EUR 7 000 000  
| This action is co-financed in joint co-financing by the Government of Mauritius for an amount of EUR 2 000 000 |
| 6. Aid modality and implementation modality | Project Modality  
| Indirect management with the Government of Mauritius |
| 7 a) DAC code(s) | 25010- Business Support Services and Institutions |
| b) Main Delivery Channel | Public sector Institutions - 10000 |
| 8. Markers (from CRIS DAC form) | General policy objective  
<p>| Not targeted | Significant objective | Main objective |
| Participation development/good governance | ☐ | ☐ | X |
| Aid to environment | ☑ | ☐ | ☐ |
| Gender equality (including Women In Development) | ☑ | ☐ | ☐ |
| Trade Development | ☐ | ☑ | ☐ |
| Reproductive, Maternal, New born and child health | ☑ | ☐ | ☐ |</p>
<table>
<thead>
<tr>
<th>RIO Convention markers</th>
<th>Not targeted</th>
<th>Significant objective</th>
<th>Main objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biological diversity</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Combat desertification</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Climate change mitigation</td>
<td>X</td>
<td></td>
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<tr>
<td>Climate change adaptation</td>
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</table>

9. Global Public Goods and Challenges (GPGC) thematic flagships

- n/a

10. Sustainable Development Goals (SDGs)

| Main Goal – 8: Promote sustained, inclusive and sustainable growth, full and productive employment and decent work for all |
| Secondary Goal – 9: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation |

**SUMMARY**

One of the objectives of the Economic Partnership Agreement (EPA) is to improve the trade and business environment by adopting the necessary measures to that effect so as to boost trade and investment both with the EU and with the region. In particular, the Development Matrix annexed to the EPA provides inter-alia for measures to improve and encourage an enabling business climate and “access to business related services and enhance capacities of enforcement agencies and personnel to reduce barriers to trade”. In this regard, the EPA is fully aligned with national policies of Mauritius.

Public and private sector stakeholders have highlighted key constraints to business facilitation owing to heavy regulatory frameworks and weak institutional capacity of various public institutions leading to lack of competitiveness. This action is in response to the identified constraints and will focus on system-wide regulations, regulatory institutions and processes.

The overall objective of the project is to enhance Mauritius’ business and investment climate by improving the regulatory framework for business licensing. A lack of competition, barriers to establishing and operating businesses, the cost of doing business, and regulatory burdens is recognised today as the main business environment constraints of Mauritius. In sum, improving and supporting investment climate reforms is viewed as a priority by the Government which would also create a level playing field and systemic improvements to how the government regulates into the future. In addition, the approach advocated under this project for ambitious and broad reforms in the regulatory framework can provide early results and generate political support for broader and systematic reforms.

The Government has thus embarked on a project to review the licensing framework, to eliminate inefficiencies and duplication in the process. In the same line, permits, clearances and licences which are considered as outdated and obsolete will be reviewed or eliminated. Interaction between public sector agencies for sharing of information will be improved substantially which would allow information to flow seamlessly across public sector agencies and improve transparency and good governance. The investment reform process will be in coherence with the trade facilitation process under the EPA that the Government has already engaged into by lowering tariffs and introducing a single window for trading activities. The impact of the regulatory reforms would improve outcomes for society as a whole and help the country move to a higher league of globally competitive economies. In turn, this is expected to improve the standard of living of the population through the establishment of a modern, fast growing economy. Realising the overall objective of an enhanced integration of Mauritius into the regional and international investment and trading system will be crucial for strengthening economic development, inclusive growth and poverty reduction.
1 CONTEXT

1.1 Sector/Country/Regional context/Thematic area

Since independence in 1968, Mauritius’ economic performance has been strong, associated with efficient government, diligent economic policies, human capital accumulation, and fast growth in Foreign Direct Investment (FDI), tourism, and exports. However, structural and institutional challenges led the Government of Mauritius to liberalise its industrial, trade, and labour policies in the mid-2000s. The reforms had an immediate, positive impact on the Mauritian economy’s performance but brought increasing income inequality. Traditional textile and agriculture sectors contracted while tertiary sectors expanded. Among the economic challenges are relatively low productivity that stunts growth, widening skills mismatches, and rigid labour regulations.

Moving forward, Mauritius’s Gross Domestic Product (GDP) growth rate appears to be close to its long-run potential. As the Government seeks to reorient the economy from dependence on sugar, textiles and tourism to a high tech, services oriented economy, a first class investment climate and infrastructure platform will be central to the country’s ability to attract domestic and foreign investment to new sectors. In addition, with the emergence of global value chains, connecting trade, investment and development is a crucial element in addressing socio-economic challenges. The government in its Vision 2030 policy document makes provision to address the labour force skills mismatch and develop public infrastructure. The government is also committed to improve developmental levels with better governance and policy implementation.

In this context, removing bureaucratic obstacles will improve the business environment. According to the Doing Business survey for 2007, it took 49 days to start a business in Mauritius, compared to 27 days in Mexico, nine days in Turkey, and an average of 16.6 days in the countries of the Organisation for Economic Co-operation and Development (OECD). To respond to this, the Government passed the Business Facilitation Act of 2006 to spur investments and creation of new businesses. As a result, Mauritius’ ranking in the World Bank’s Doing Business Index improved to 17th in 2010. Mauritius is currently ranked 32 in the Doing Business Report 2016 and 46 in the Global Competitiveness Report 2015 which qualified administrative bottlenecks as the most problematic factor impacting the business climate of the country.

The Government’s vision is to achieve high-income status in the medium term while ensuring inclusive growth. However, the economy’s performance since 2008 has been less robust than expected, and the country is facing challenges on several fronts. GDP growth is losing steam as the positive impact of reforms wanes. Job creation remains slow, income inequality is increasing, and economic vulnerability is not falling. Challenges and inefficiencies exist in the labour market, associated with rigid institutional arrangements. It is evident that wage increases, competitiveness of traditional sectors are lowered along with private investment and employment creation. Developing a new growth model for Mauritius requires steps to raise the country’s competitiveness. One measure is to remove bottlenecks to facilitate entry of firms into the market.

Following the ratification of the Eastern and Southern Africa or ESA-EU Economic Partnership Agreement (EPA) by Mauritius, a number of policy reforms have been implemented aimed at reducing trade barriers. In this context, Mauritius is implementing the EPA to a large extent with tariff liberalisation already reached 89 % of tariff lines in 2013 attracting zero duty. No Non-Tariff barriers for imported products at regional level were reported in 2015 in Mauritius according to the EU funded Regional Integration Support Mechanism which is being monitored by COMESA. The Government remains committed to EPA implementation and requested support as a priority area for improving the business and investment climate.

Given the alignment of the EPA with national policies, the regional allocation of funding under the 11th EDF cross-regional EPA envelope was allocated under national management for each of the signatory ESA-EU EPA countries in order to implement economic reform policies at national level in order to facilitate trade and private sector development.
1.1.1 Public Policy Assessment and EU Policy Framework

In the Government programme 2015 – 2019, the Government established its objective to improve quality of life, accelerate social integration, strengthen democracy and ensure the independent functioning of institutions. The ultimate aim is to shape a second socio-economic miracle in the interest of one and all. Government is committed to conducting business on the principles of discipline, transparency, accountability and exemplary governance. This includes in-depth reform of the public sector institutions to inject productivity, efficiency and quality service, streamlining of processes and optimisation of ICT tools. Government has also taken strong actions to revitalise private investment in existing pillars of the economy with an emphasis on greater business facilitation and improvement of the investment climate.

In his economic mission statement of 2015, the Prime Minister made a commitment to remove impediments to investment and job creation. Permits, licenses and related authorisations need to be delivered quickly and with utmost priority, and unjustified delays will not be tolerated. In a Joint Public Private Committee set up by the Government and chaired by the Prime Minister, the Board of Investment has been given the mandate to review the business licensing framework and to alleviate regulatory burdens on investment projects. The Joint Public-Private Committee provides the platform to establishing a frank and regular dialogue with private sector operators and see together how best both parties can achieve the targets within the set time frame and at the same time address issues that could hinder the set path. Government endorsement of the reform has been clearly communicated to all stakeholders in this committee and the high level participation among all the line ministries and regulatory agencies involved in the licensing system has been secured.

As stated above, the Government has attributed clear responsibilities for the reform to the Board of Investment and has set up a Steering Committee to monitor the overall process for the reform programme. As part of this, clear milestones and deadlines for the review of licenses have been established. This includes deadlines for the submission of new operating procedures from regulators to the high-level Steering Committee, and for the submission to the Joint Public Private Committee which meets on a quarterly basis. The Government recognised the importance of a conducive business environment to attract more investment and achieve higher growth rate. Bold measures have been announced in the 2014/2015 national budget to streamline procedures and allow for fast decision making including the use of a single identification number for business to eliminate the need to obtain various business identification numbers from other public sector agencies other than the Registrar of Companies.

The Government intends to carry out a major overhaul of the licensing regime. Licenses that are obsolete will be eliminated with the proviso that those needed for public protection, health and environment would be maintained. Licensing processes that are not business-friendly will also be simplified. Public sector agencies will need to consult the Board of Investment regarding the review of systems, procedures and guidelines in the context of ease of doing business.

According to Business Mauritius, which is the apex body regrouping private sector organisations, applying for licenses is a daunting task for many start-ups and existing businesses. As most business activities are under the purview of more than one agency, many businesses have to visit different agencies to apply for licenses. Liaising with multiple agencies poses an administrative burden for businesses in general, but especially to small and medium sized enterprises (SMEs) and foreign investors. Opportunity and compliance costs for businesses are significant, as the time and effort spent in liaising with multiple agencies could be devoted to other core business-related activities. Applying for licenses from multiple agencies causes another problem: applicants are required to submit the same information, such as business and personal particulars to multiple agencies which often results in out of date application documents. Even when online application channels are provided by the public agencies, liaison and multiple information submission problems still exist. As a result, businesses in general but mostly start-ups, SMEs and foreign investors find that the license application processes are generally less predictable, costly, time-consuming, confusing and frustrating.

In this context, the EPA support programme aims to improve the business environment across all sectors and enable a high level policy dialogue with Government with regards to investment and
business development in general including trade development and services. The EPA support project will complement the NIP priorities which will focus on the tertiary education sector, research and innovation. Both programmes are in alignment with the Government’s general objective to become a high income country.

1.1.2 Stakeholder analysis

Government stakeholders are the Ministries of Finance and Economic Development; Tourism and External Communications; Housing and Lands; Energy and Public Utilities; Technology, Communication and Innovation; Public Infrastructure and Land Transport; Education and Human Resources, Tertiary Education and Training; Health and Quality of Life; Local Government; Agro Industry and Food Security; Industry, Commerce and Consumer Protection; Social Security, National Solidarity and Reform Institutions, Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Island; Environment, Sustainable Development, Disaster and Beach Management; Civil Service and Administrative Reforms; Labour, Industrial Relations, Employment and Training. The Rodrigues Regional Assembly will also be taken on board.

Government Agencies include: Agricultural Chemistry Division, Assay Office, Bank of Mauritius, Beach Authority, Board of Investment, Central Electricity Board (CEB), Central Water Authority (CWA), Fisheries Protection Service, Forestry Services, Local Authorities, Marine Conversation Service, Mauritius Police Force, Mauritius Ports Authority, Mauritius Qualifications Authority, Mauritius Revenue Authority (MRA), National Agricultural Products Regulatory Office (NAPRO), National Pension Board, National Plant Protection Office-Agricultural services, National Transport Authority, National Woman Entrepreneur Council, Occupational Health Unit, Occupational Safety and Health Inspectorate, Passport and Immigration Office (PIO), Pharmacy Board, Private Secondary Schools Authority, Rodrigues Regional Assembly, Small and Medium Enterprise Development Authority; Tourism Authority and Waste Water Management Authority (WMA).

Key private sector representatives are: Business Mauritius\(^1\), Mauritius Chamber of Commerce and Industry (MCCI), Mauritius Export Association (MEXA), Association des Hôteliers et Restaurateurs de l'Ile Maurice (AHRIM). Business Mauritius provides a platform which coordinates the Mauritius private sector’s position for business enhancement, economic development and employment relations. It has a membership of over 1200 enterprises of all sizes and from all sectors of the economy. Business Mauritius represents promotes, protects and defends the interest of the private sector in Mauritius and is engaged in liaising with Government and other social partners on matter relating to the harmonious socio-economic development of Mauritius. The Council members are: AHRIM, Association of Mauritian Manufacturers (AMM), Insurer’s Association of Mauritius (IAM), Chamber of Agriculture, MCCI, MEXA, Building and Civil Engineering Contractors Association, Mauritius Bankers Association among others.

The Target group is mainly the business community, entrepreneurs including SMEs, youth and woman entrepreneurs. The final beneficiaries include the private sector, with a particular focus on SMEs, the public in general as well as public sector agencies which will benefit from better interaction, coordination and communication among themselves. A Joint Public-Private Steering Committee chaired by the Prime Minister provides the platform with a view to establishing a frank and regular dialogue with private sector operators and see together how best both parties can achieve the targets for business facilitation and development within the set time frame and at the same time address issues that could hinder the set path.

1.1.3 Priority areas for support/problem analysis

Mauritius is implementing the iEPA and making visible progress to send positive signals to the business community. The investment licencing regime is a key policy instrument for opening up the Mauritian economy for market access under the EPA as well as to address cross border business and

\(^1\) Business Mauritius came into operation as from 1 October 2015 following the restructuring of the Mauritius Employers’ Federation (MEF) and of the Joint Economic Council (JEC).
trade development in the region. Mauritius today counts some 600 business licences which are issued by 63 public sector agencies. Some of the licences are based on outdated legislation which might not have its use today or are only issued for the purpose of keeping statistics on a particular sector/ activity.

Business licensing is viewed as a major obstacle to business activity due to its overtly bureaucratic nature, lack of transparency and clear guidelines and lack of competent and dedicated human resources. The opaque procedures, ambiguous rules and unpredictable results create uncertainties. The Government acknowledges that an overhaul of the current attitude and mindset, staff training and the computerisation of operations in the public sector are among the corrective measures that need to be implemented. It is, in fact, important that more efforts and resources be devoted to improving the efficiency and effectiveness of Government departments and institutions in order to achieve sustainable enhancement in productivity, competitiveness of enterprises and, by extension, of the country as a whole.

Furthermore, unnecessary restrictions on competition and highly prescriptive licenses can be very damaging to the operation of effective markets. They impede competition, innovation in producing and delivering goods and services, and limit the capacity of firms to respond to external shocks. All of these outcomes reduce significantly levels of productivity, incomes and wealth creation.

Governments around the world now emphasise the “investment climate” in their strategies to promote market-led growth and poverty reduction. The logic is that higher living standards and poverty reduction depend on broad-based economic growth, which can benefit from improving worker productivity, which in turn depends on investments in human and physical capital and technological change (defined broadly to include changes in knowledge, equipment and organisational structures), which can also benefit from a favourable investment climate.

There is thus a need to streamline the business licensing framework and to maintain only those licences that are concerned with health, environment, safety and security aspects. In 2015, the Government has set up one-stop-shops (OSS) at the Board of Investment and the Small and Medium Enterprise Development Authority (SMEDA) to facilitate the setting up and operation of enterprises. The OSS did not produce the expected benefits of substantial savings in time and cost to potential and existing entrepreneurs. Opaque and complex regulatory procedures act as one of the main deterrents to doing business in Mauritius and discourage firms from entering the economy.

With regard to trade facilitation under the EPA, the government is currently implementing the Single Window project which will bring various enhancements to trade facilitation by reducing the time and cost of doing business in Mauritius and will bring more transparency at both agencies and Customs Department. The Single Window will link the Customs Authorities and all agencies issuing permits into one integrated electronic platform providing a single entry point for traders to fulfil all import, exports and related regulatory requirements.

Recognising that streamlining the business licensing framework is key to improving the investment climate and creating a pro-investment environment, the Government of Mauritius is committed to improving the ease of doing business of the country by removing excessive administrative and regulatory burdens. Main weaknesses include:

(i) Weak public sector efficiency for business development
Applying for licenses is considered as a daunting task for businesses with inefficient government bureaucracy identified as the most problematic factor for doing business in Mauritius by the World Economic Forum in the Global Competitiveness Report 2015.

(ii) Heavy regulatory processes and red tape
Liaising with multiple agencies poses considerable administrative burdens not only for businesses but also to the public agency whose decision is dependent on the stand/views of another agency. The manual process which is the main cause of administrative bottlenecks and red tape has today become obsolete and inefficient.
(iii) **Inefficiency in the process**
Clear shortcomings in the regulatory process include the need to visit, call, or engage with multiple departments; lack of communication between departments involved in awarding a single license; ineffective data management systems; and the reliance on duplicative applicant actions.

(iv) **Lack of transparency in delivery of business licences**
Lack of transparency is problematic for companies engaging in the licensing process: unclear documentation requirements, inconsistencies in regulatory implementation, extended approval timelines, and insufficient procedural transparency. Documentation and procedures for licensing are often made available through public sources, such as government websites. However, the private sector noted that the information provided is often inaccurate, vague, or incomplete. In such cases, companies have to engage directly with the public sector agencies to understand the documentation that is required.

(v) **Inconsistencies in Regulatory Implementation**
There are also inconsistencies in interpretation and implementation of regulations related to licensing. Even if there are clear rules in place, inconsistencies in implementing these rules within and between government agencies adds time and cost to the licensing process. An example would be in terms of reading the planning guidelines by the planners of the Ministry of Housing and Lands and by those of Local Governments.

(vi) **Regulatory burdens create inequality**
Social equity and inclusion is critically influenced by the investment climate. The notion of a “level playing field” where economic players have equal opportunities to succeed is a fundamental focus of investment climate interventions. Barriers to dynamic and well-functioning markets may benefit privileged economic participants at the expense of competitors, potential entrants, and consumers. Based on the identified problems and needs, the intervention will focus on the following priority areas for support:

- These interventions aim to simplify and streamline regulatory procedures, remove sector-specific administrative constraints, revise the legal framework and institutions, establish effective dialogue systems between private and public sectors, and harmonise procedures and systems.

- Enhancing Business Competitiveness: Policy dialogue and support will seek to strengthen policy and regulatory framework; strengthening the institutional capacity of the various Ministries and concerned departments to undertake the i-EPA induced policy reforms and regulatory framework to enhance business development and partnerships.

- Capacity Building: Review regulatory and licencing processes focusing on reforms that promote transparency and predictability of the regulatory environment. Completing a comprehensive inventory of business related formalities/administrative procedures; process mapping and re-engineering of the most relevant/frequent formalities/administrative procedures with the objective of streamlining and simplifying them.

- Business Facilitation: Facilitating business licensing through greater transparency through strengthening the processes and institutions; establishing an informational portal of business related administrative procedures rendering all information related to the requirements of these procedures accessible to the general public in a simple and comprehensive manner.
2 RISKS AND ASSUMPTIONS

<table>
<thead>
<tr>
<th>Risks</th>
<th>Risk level (H/M/L)</th>
<th>Mitigating measures</th>
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<tbody>
<tr>
<td>Resistance from public sector agencies to change their procedures</td>
<td>M</td>
<td>• Matter will be discussed at policy level.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• The project will be carried out in collaboration with the Ministry of Civil Service to facilitate change management in the public service.</td>
</tr>
<tr>
<td>Resistance to use ICT tools in the licensing process</td>
<td>M</td>
<td>Training will be provided to individual staff and across departments.</td>
</tr>
<tr>
<td>Lack of commitment from top management of public sector agencies</td>
<td>L</td>
<td>The Prime Minister has been identified for this project champion of national interest. He shall provide direction to his cabinet ministers.</td>
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</tbody>
</table>

Assumptions

• Government of Mauritius remains committed to economic and business climate reform.
• The Board of Investment drives the project together with high officials of the Prime Minister’s Office.

3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

Under the 10th EDF Economic Partnership Agreement (EPA) allocation, a capacity building programme is under implementation to address technical barriers to trade and enhance trade facilitation. This was another specific request from the Government. Moreover, Mauritius has undertaken tariff reforms and already liberalised 89% of tariff lines with zero duty as at end of 2013 and also undertook fiscal reforms to improve revenue collection with tariff reduction. Other customs tariff reform implemented includes alignment of the Customs Tariff Schedule to the World Customs Organisation Harmonised System 2012 version and the tariff bands applicable are as follows: 0%, 5%, 10%, 15% and 30%.

The ongoing 10th EDF “Regional Integration Support Programme” which is financing iEPA immediate needs and complementary programmes implemented by the Common Market for Eastern and Southern Africa (COMESA) under the 10th EDF with respect to regional integration is providing relevant lessons learned to be incorporated into the initiative including:

Capacity development needs to be demand driven and with high degree of ownership. The main stakeholders who are in charge of the implementation of the macro-economic and trade reform policies including Government ministries, departments and agencies, intermediary organisations and business sector associations have to be in the driver's seat for the capacity development. A balanced approach of technical advisory support, institutional and regulatory reform and material support is essential to realise a sustainable impact.

Awareness raising and public-private policy dialogue is critical for promoting the potential benefits of the i-EPA. There is a need to improve knowledge about the opportunities deriving from the i-EPA as local institutions (private and public) lack resources. Barriers to dynamic and well-functioning markets may benefit privileged economic participants at the expense of competitors, potential entrants, and consumers.

Small reforms within a large and expanding regulatory framework will not substantially nor sustainably improve the overall business environment. There have been prior initiatives to launch regulatory reforms targeted at a few priority regulatory constraints, mainly to facilitate big investment projects. However, such reforms have been ineffective because reforms aimed at single processes and rules do not catch up with the productive capacities and incentives of governments to create and apply new or amended regulations, licenses, fees, charges and controls.
Implementation delays and the onset of a crisis are the most commonly encountered implementation problems. This is in part because political stability plays such an important part in the success of investment climate projects. Because most investment climate work relies on the enactment of laws, regulations, and coordination among different ministries and agencies, a committed and strong government is key to success.

Eliminate discretionary powers through creation of rule based system. A major requirement for public sector is transparency, that is, all legislations and regulations are unambiguous and understandable, guidelines and timeframes are well defined, published and accessible to the public. Recent critics have shown that discretionary powers may lead to perception of corruption. While carrying out the regulatory reforms, clear rule-based criteria for determination of licences and permits will be established.

Undertake Regulatory Impact Assessment (RIA) as a means to improve policy formulation and ensure the implementation of better quality regulations for businesses whilst complementing on RIA training provided to public officers and RIA manual developed under a prior EU funded technical assistance programme that could be used as guidelines for a developing a comprehensive Mauritius RIA mechanism.

3.2 Complementarity, synergy and donor coordination

Under the 10th EDF iEPA (iEconomic Partnership Agreement) programme, the support of EUR 950 000 is being used to enhance the capacity at the Mauritius Standards Bureau to remove technical barriers to trade and to the Mauritian Revenue Authority, with the aim to enhance its risk management framework.

This project complements the initiatives undertaken at the levels of COMESA and the Southern Africa Development Community (SADC). The COMESA Regional Integration support Mechanism (RISM) is a key programme with the objectives of supporting the economic integration process of the Eastern and Southern Africa and Indian Ocean (ESA-IO) region as well as enabling them to implement economic reform programmes in the context of regional integration. The SADC Trade Related Facility (TRF) is a mechanism for financial and technical support to be given to SADC Member States to assist them to implement commitments made under the SADC Protocol on Trade. The overall objective of the Trade Related Facility is to improve the participation of SADC Member States in regional and international trade in order to contribute to sustainable development in the SADC region.

In addition, the World Bank is providing assistance to Mauritius under the Accelerated Programme for Economic Integration (APEI), aiming to support the regional integration strategy of Mauritius with Africa. The APEI is an initiative of five ‘like-minded’ countries comprising Malawi, Mauritius, Mozambique, Seychelles and Zambia, which have agreed to jointly accelerate the implementation of reforms aimed at reducing barriers to trade. Recently, under a regional development policy initiative, Mauritius, Seychelles and Mozambique have agreed to a set of indicators to accelerate regional integration.

These indicators focus on:

(i) removing barriers to trade in goods;  
(ii) promoting trade in services; and  
(iii) enhancing measures to facilitate trade and investment.

In order to improve its ranking in the Doing Business Index, the Government is making additional efforts to create an investment climate that is free of excessive administrative regulatory burdens which is today considered as being a major hurdle to do business in the country. The Doing Business Report of the World Bank is being used as a benchmarking tool to measure the efficiency of Mauritius across the different spheres of doing business. The Government is thus seeking the support of the
World Bank through the Technical Assistance programme for developing a business climate on par with international best practice.

The Government of Mauritius has sought the assistance of the World Bank for business environment reforms and trade facilitation. The objective is to conduct a comprehensive assessment of the effectiveness of procedures and systems in specific indicators of the Doing Business Report and actions to streamline regulations, reduce red tape, and the cost of doing business. The Technical Assistance of the World Bank complements the Government’s objective to review the regulatory framework for which financing under the iEPA is being sought.

The performance of Mauritius in many international rankings, such as the Mo Ibrahim Index of African Governance and the World Bank Group's Doing Business Report, is essential to benchmark Mauritius’ competitiveness globally. The Government will continue to facilitate the operations of businesses by enhancing the regulatory environment to make it more transparent, predictable, and business friendly. Hence, the Board of Investment, which is the national investment promotion agency of the country, has set up a Business Facilitation Unit whose main objective is to formulate policy recommendations to Government so as to improve the investment and business climate of the country.

3.3 Cross-cutting issues

The transition of Mauritius from a manufacturing-based to a service-based economy created unemployment issues and this has affected women in particular. This project aims to facilitate Mauritian women and youth to create enterprises and employment opportunities by facilitating starting businesses. This project also englobes actions to encourage equal participation and engagement of women and men. It will also ensure that capacity building programmes such as training taking cognisance of women participation.

Principles of good governance, including corporate governance and social and environmental corporate responsibility, will also be central in the process of capacitating stakeholders. There will also be transparency in financial decisions, provision of technical support and agreement based on Results Based Management Principles.

The regulatory reforms will not only impact on businesses but also aim to bring about social benefits driven by the twin goals of poverty elimination and shared prosperity which are the guiding principles of the Government’s Vision. The set of reforms supported by this project aims to improve investment climate in Mauritius, which will facilitate development of competitive domestic private sector and ultimately will lead to gainful job creation which is a key determinant to reduce poverty.

The proposed project targets businesses including SMEs, women and youth in order to build the human and social capital, facilitate access to income-generating activities, and strengthen the economic viability of the artisan sector. According to Mauritius Statistics, 88% of enterprises are micro units with a turnover of less than EUR 50 000 out of which 78% have an annual turnover of less than EUR 25 000. Unlike larger firms, who have experience navigating the business environment and the resources to deal with administrative and regulatory procedures, small entrepreneurs are highly sensitive to the financial cost of overcoming these obstacles. Indeed, overly burdensome procedures or regulation can make or break a small firm's business and also deter them from entering the market, where they will generally have better access to capital and other factor inputs. In addition, the statistical data also shows that women entrepreneurs are disproportionately concentrated among microenterprises as opposed to medium and large enterprises. Reducing the cost of doing business, including the cost of starting business, will empower women’s participation in productive activities through supporting their entrepreneurship.

In addition, youth (between 16-24 years) unemployment for the year 2015 is very high at 26.3% of total unemployment. Of this, 53.3 % are female and 46.7% are male. Moreover, graduate unemployment is around 19.4%. Reducing the cost of doing business and easing business start-up will encourage the youngsters and graduates to set up their own enterprises.
4 DESCRIPTION OF THE ACTION

4.1 Objectives/results

This programme is relevant for the United Nations 2030 Agenda for Sustainable Development. It contributes primarily to the progressive achievement of SDGs (8) Promote sustained, inclusive and sustainable growth, full and productive employment and decent work for all and more specifically target; (8.3) to promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services; (9) Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation and target (9.a) to facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, least developed countries, landlocked developing countries and Small Island Developing States. This does not imply a commitment by Republic of Mauritius benefiting from this programme.

Overall Objective: To improve the business and investment climate of Mauritius.

Specific objective: To streamline the business and investment regulatory framework and operational procedures for licensing for starting and operating businesses.

Outputs:

The results under the specific objective include:

Output 1: Simplified business and investment regulatory framework
Output 2: Streamlined licensing process and improved interaction among public sector agencies
Output 3: Effective implementation of regulations ensured
Output 4: e-Registry and e-licensing platform implemented
Output 5: Capacity of regulators and end users to implement and sustain reforms enhanced

4.2 Main Activities

Output 1: Simplified business and investment regulatory framework would be achieved through consultations with relevant stakeholders on three different levels: (1) with the regulating agencies, (2) with the private sector, and (3) within the Steering Committee - through workshops, surveys, meetings - to facilitate a successful and sustainable licensing reform programme.

The main activities to achieve the results of the project are the following:

- Assess the governing requirements that have led to the existing regulatory environment, analyse processes in place and identify impediments to businesses.
- Determine the rationale for government regulations; whether regulatory systems were implemented to restrict competition, to protect health, safety, security and environment factors or generate revenues.
- Establish the viability of existing regulatory approaches and considering scope for streamlining regulations.
- Apply the “Reversal of the Burden of Proof” Principle to eliminate licences that are obsolete and outdated.
- Further explore alternatives to direct regulations such as non-regulatory options with adoption of self-adherence guidelines and reinforced ex-post monitoring or market-based approaches.
- Identify groups of licenses that could be merged into an ‘omnibus’ license, as well as licenses that could be eliminated altogether. This approach can reduce the administrative cost of reform, as well as ensure timely implementation. Eliminate need to apply for general licences after issuance of specific operational licence.
Output 2: Streamlined licensing process and improved interaction among public sector agencies

The main activities are:

- Review of licensing procedures based on transparent rule based approach and set of objective criteria.
- Work out a re-engineering of the processes for licenses through more intuitive methods.
- Introduce “silence is consent” rule where appropriate with greater accountability on respective public sector agencies.
- Simplify forms and document burdens in favour of information flow among regulators.
- Work on coordinated activities among regulators in order to eliminate duplication and minimise evasion.
- Work on the legal implementation of reforms and legislative changes that needs to be adopted.
- Publish guidelines with objective criteria for determination of applications, time-limits for decision-making, documentation requirements or any publication requirement for consultations.
- Monitor compliance of business applications in line with the licencing framework.
- Review and streamline license renewal process and its frequency.

Output 3: Effective implementation of regulations ensured

- To ensure regulatory quality, carry out Regulatory Impact Assessment (RIA) to assess the impacts of regulation and measure the benefits, costs, and effects of regulatory policy options through screening mechanisms for new regulations.
- Establish a Monitoring and Evaluation (M&E) system to agree on targets, track progress, and demonstrate success

Output 4: e-Registry and e-licensing platform implemented

- Create a centralised Electronic Registry of licenses to hold all valid business licenses, and provide critical data to businesses on licensing requirements and data for project monitoring.
- Provide ‘search and apply’ facilities for licences through a dedicated online system.
- Provide online interface enabling businesses to file applications and make the necessary payments.
- Contract Service Level Agreement with public sector agencies.

Output 5: Capacity of regulators and end users to implement and sustain reforms enhanced

- Assess the administrative readiness and electronic readiness of regulators.
- Build the capacity of regulatory agency staff to implement new procedures.
- Strengthen regulators by providing technical and management training, integrated planning and improved decision-making process.
- Carry out communication campaigns to promote transparency in regulatory framework and the licensing process.
- Carry out public education campaigns.
- Carry out training to SMEs, youth and women entrepreneurs and vulnerable groups through the National Empowerment Foundation, Small and Medium Enterprise Development Authority, the National Women Entrepreneur Council and the Ministry of Youth and Sports.

4.3 Intervention Logic
The intervention logic responds to the need to ensure a rigorous formulation and implementation of the already well defined priority sectors of the EU-ESA interim Economic Partnership Agreement (EPA) implementation cross regional envelope. The proposed support will address the needs highlighted by Mauritius in its Development Matrix which includes improved business and investment climate. Reform of the business and investment climate will impact positively on trade development with increased globalised production and distribution networks. Several measures, including tariff cuts, reduction in imports licensing, dismantlement of various subsidy schemes, were taken recently with a view to further liberalising the economy.

The EPA cross regional envelope should ensure that the implementation of the EPA will yield maximum benefits to the country and all the relevant stakeholders and in particular to the private sector in facilitating business and trade development. In addition, Government’s response remains inadequate because of lack of capacity and the need to bring institutional changes. The project will respond to strengthened capacity of involved Government bodies and of the investment and services sector and to adopt business enabling measures to improve private sector competitiveness.

The intervention logic is based on a holistic approach to move towards regulatory quality for better public service delivery which generates significant economic, social and environmental benefits for the country. In brief, the project includes design and implements simplified procedures to systematically improve the quality of regulation; improves transparency by establishing e-registry of regulations and procedures related to business operation, that will be accessible to the private sector as well as the general public and regularly updated; designs and assists in the implementation of the simplified administrative procedures and builds the E-licensing platform and builds the capacity of regulators to implement and sustain the reforms. The E-licensing project will be interlinked with the Single Window project whereby the project will also work with the Customs authorities to improve trading across borders with the objective of reducing the time and cost to clear goods at import. Micro enterprises and SME involvement will be ensured in the investment and trade reform reform process through their participation in the governance structure of the project.

Output 1: This project is based on broad reforms that will produce systemic improvement on government regulation. In essence, two approaches will be applied. The first one is the basic approach where reforms are driven by simple review criteria such as legality, necessity, business friendliness. Once a review of existing licenses is complete, the second phase is triggered where licensing reform proposals are ‘bundled’ together into a comprehensive and integrated reform programme. By bundling a large number of license reforms into one ‘omnibus’ reform, resistance to reform can in many cases be successfully overcome. This approach can reduce the administrative cost of reform, as well as ensure timely implementation.

Output 2: This includes reviewing the licensing process to address any inefficiencies or duplication in the process and use of lean approaches in licensing process. Publication of the licensing process including the pertinent contact information, timelines for completion at each stage, cost, and number of procedural steps related to each process. It also includes a review of the renewal process and the frequency of renewals. As part of this, the business licencing reform mandate will establish milestones and deadlines for the review of licenses.

Output 3: There is little point in reforming business licenses if there are no mechanisms in place to ensure that positive results are not eroded by creeping re-regulation and the re-emergence of bad licenses and regulatory practices. Screening mechanisms for new business licenses can help identify and eliminate proposals for bad licenses before they are promulgated. For this reason, the project also includes implementation of RIA, an immediate and integral part of the licensing reform process. The benefits include improved regulatory oversight and ability to monitor compliance. The assessment would be differentiated depending on the expected impact of the regulatory. The approach will employ both ex-ante (during the design of the project) as well as ex-post (to assess the achieved impact of the reform).

Output 4: aims at reducing obstacles to operate businesses through establishment of a one-stop source of information on required licenses. This implies greater certainty for businesses through provision of an authoritative source of licensing information (e.g. costs, requirements) and reduced regulatory compliance costs through online application/renewal for licenses and ability to submit required regulatory filings online. Moreover, output 4 will also lead to improved government transparency.
through one-stop access to all relevant information; improved regulatory compliance by businesses through better understanding of the requirements; improved accountability. The potential for increased revenue through greater SME participation in the formal sector is one of the main benefits.

**Output 5:** consists of providing regulators with enhanced capacity to adapt to the change in regulatory policy and the licensing process. Training will also be provided to SMEs, youth and woman entrepreneurs. Moreover, targeted trainings to vulnerable grounds will be provided in collaboration with the National Empowerment Foundation which has a mission to reduce poverty and social exclusion through social and economic development projects, reduce unemployment among women by providing technical and financial support to women to enter the labour market or to start their own business and encourage entrepreneurship and provide support companies.

5 **IMPLEMENTATION**

5.1 Financing Agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country, referred to in Article 17 of Annex IV to the ACP-EU Partnership Agreement.

5.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 4.2 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission’s Authorising Officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute non-substantial amendment in the sense of Article 9(4) of Regulation (EU) 2015/322.

5.3 Implementation of the budget support component

n/a

5.4 Implementation Modalities

5.4.1 Indirect management with the Republic of Mauritius

This action with the objective of reinforcing the capacity of the partner country may be implemented in indirect management with the Government of Mauritius in accordance with Article 58(1)(c) of the Regulation (EU, Euratom) No 966/2012 applicable in accordance with Article 17 of Regulation (EU) 2015/323. This implementation entails procurement of services and supplies. This implementation is justified because of the past track record of the Ministry of Finance and Economic Development in handling EU projects under the 10th EDF iEPA allocation and given its direct involvement at both policy and institutional level in improving the investment climate in partnership with the Board of Investment which has enabled a high degree of harmonisation, alignment, and ownership, enabling Government to sustain and make more effective its reform efforts, aided by the predictability of its internal complementary resources.

The National Authorising Officer of the Government of Mauritius will act as the contracting authority for the procurement and grant procedures. The Commission will control ex ante all the procurement procedures except in cases where programme estimates are applied, under which the Commission applies ex ante control for procurement contracts above EUR 100 000 (or lower, based on a risk assessment) and may apply ex post control for procurement contracts up to that threshold. The Commission will control ex ante the grant procedures for all grant contracts.

Payments are executed by the Commission except in cases where programmes estimates are applied, under which payments are executed by the Government of Mauritius for ordinary operating costs, direct labour and contracts below EUR 300 000 for procurement and up to EUR 300 000 for grants.
The financial contribution does not cover the ordinary operating costs incurred under the programme estimates.

In accordance with Article 190(2)(b) of Regulation (EU, Euratom) No 966/2012 and Article 262(3) of Delegated Regulation (EU) No 1268/2012, applicable in accordance with Article 36 of the Regulation (EU) 2015/323 and Article 19c(1) of Annex IV to the ACP-EU Partnership Agreement, the Government of Mauritius shall apply procurement rules of Chapter 3 of Title IV of Part Two of Regulation (EU, Euratom) No 966/2012. These rules, as well as rules on grant procedures in accordance with Article 193 of Regulation (EU, Euratom) No 966/2012, applicable in accordance with Article 17 of Regulation (EU) 2015/323, will be laid down in the financing agreement concluded with the Government of Mauritius.

5.5 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission’s authorising officer responsible may extend the geographical eligibility in accordance with Article 22(1)(b) of Annex IV to the ACP-EU Partnership Agreement on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.6 Indicative Budget

<table>
<thead>
<tr>
<th>Description</th>
<th>EU contribution (in EUR)</th>
<th>Government of Mauritius contribution (in EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.4.1 Indirect Management with the Government of Mauritius</td>
<td>6 900 000</td>
<td>2 000 000</td>
</tr>
<tr>
<td>Technical assistance for Results 1 to 5</td>
<td>3 500 000</td>
<td>750 000</td>
</tr>
<tr>
<td>Training and Peer to Peer learning for Results 1, 2, 3 and 5</td>
<td>900 000</td>
<td>250 000</td>
</tr>
<tr>
<td>Equipment for Result 4</td>
<td>2 500 000</td>
<td>1 000 000</td>
</tr>
<tr>
<td>5.9 Evaluation, 5.10 Audit</td>
<td>80 000</td>
<td></td>
</tr>
<tr>
<td>5.11 Communication and Visibility</td>
<td>20 000</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>7 000 000</td>
<td>2 000 000</td>
</tr>
</tbody>
</table>

5.7 Organisational set-up and responsibilities

The contracting authority for the project will be the National Authorising Officer (NAO) (Ministry of Finance and Economic Development). The NAO / Deputy NAO will maintain financial responsibility and monitor the operations regularly. It will submit a report on the implementation progress of the project to the Delegation on a yearly basis. The role and responsibilities are as follows:

1. **Inter-ministerial Committee on Doing Business** which has already been set up and is chaired by the Minister of Finance and Economic Development. The mandate is to take decisions and monitor the implementation of initiatives relating to business facilitation, to improve the doing business climate and to provide policy guidance. The Committee includes Cabinet Ministers and Business Mauritius, which is the representative of the private sector. This Committee will henceforth also oversee the implementation of this project. The EU delegation will be part of this Inter-Ministerial Committee. This Committee will meet on a quarterly basis or as needs arise.
2. A **Steering Committee** for the project will be chaired by the National Authorising Officer and, comprising of other Ministries, Agencies and Departments, private sector, EU Delegation and other donors, will provide overall guidance on project implementation and policy. Validation of ‘to be’ and measures for implementation.

3. **Day-to-day** implementation will be supervised by the Ministry of Finance and Economic Development which will manage the combined use of PE’s and service contracts. The Ministry of Finance and Economic Development has shown capabilities in handling EU programmes and projects. If need be a specific training on PEs and EU tendering procedures will be provided.

The implementing agency will be the Board of Investment (BOI) which is a Government agency falling under the Ministry of Finance and Economic Development (National Authorising Officer). The BOI has a specialised department, namely the Business Facilitation Unit, with a team of ten technical officers having as main responsibility to make recommendations to Government to continuously improve its investment destination. The BOI has worked in close collaboration with the World Bank for three years on improving the ease of doing business in Mauritius and enhanced its capacity accordingly.

Amongst its different functions, the BOI acts as a think tank in highlighting policy issues and making policy recommendations to Government to boost investment and attain Government economic objectives and ensure coordination and co-operation between the public and the private sector on matters of investments and for policy decisions impacting on investment. At the regional level, the BOI is the present chair of the COMESA Regional Investment Agency (RIA) board and SADC Investment sub-Committee, Investment Focus Group for the adoption of the SADC Regional Investment Policy Framework. Based on their competency on business facilitation and regulatory reform initiatives, the Board of Investment has been called upon to share its experience with peer countries and has been called to replicate the Mauritius model in countries such as Botswana, Congo. The Board of Investment has also called upon to share its consultative process model for public private dialogue on reform policy formulation as part of peer-to-peer learning initiatives.

### 5.8 Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner’s responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. The Monitoring and Evaluation system that will be established under activity 2 of output 3 will enable to track progress and measure performance. The new e-licencing platform will also be an important source of information not just critical for businesses but also for project monitoring and policy decision-making.

Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix. The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The objectively verifiable indicators (OVIs) of the project, sources of verification and assumptions, will be the basis for the performance monitoring of the project. However, they should be streamlined if required during the inception phase to allow for an effective monitoring of the project.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

### 5.9 Evaluation
Having regard to the nature of the action, a mid-term evaluation will be carried out for this action or its components via independent consultants contracted by the Commission. It will be carried out for problem solving in relation to the set objectives and results. The Commission shall inform the implementing partner at least one month in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Indicatively, one contract for evaluation services shall be concluded under a framework contract in the second semester of 2018.

5.10 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

Indicatively, at least one contract for audit services shall be concluded under a framework contract at the end of each programme estimates.

5.11 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU. This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 5.5 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations. Visibility activities will be financed from the Programme estimate. Corresponding contracts will be awarded on the basis of EU procurement procedures.
APPENDIX: INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY)

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action, no amendment being required to the financing decision. When it is not possible to determine the outputs of an action at formulation stage, intermediary outcomes should be presented and the outputs defined during inception of the overall programme and its components. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for including the activities as well as new columns for intermediary targets (milestones) for the output and outcome indicators whenever it is relevant for monitoring and reporting purposes. Note also that indicators should be disaggregated by sex whenever relevant.

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Overall objective: Impact</td>
<td>Improve the business and investment climate of Mauritius</td>
<td>1) Real GDP growth rate</td>
<td>1) 3.1%</td>
<td>1) 4%</td>
<td>1) Stats Mauritius, Bank of Mauritius report, IMF report</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2) Investment (GDFCF) as a % of GDP at market prices</td>
<td>2) 17.7%</td>
<td>2) 20%</td>
<td>2) Stats Mauritius, Bank of Mauritius report, IMF report</td>
</tr>
<tr>
<td>Specific objective(s): Outcome(s)</td>
<td>To streamline the business and investment regulatory framework and operational procedures for licensing for starting and operating businesses</td>
<td>Starting a Business ranking</td>
<td>37</td>
<td>18</td>
<td>World Bank Doing Business Report</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outputs</td>
<td>Output 1: Simplified business and investment regulatory framework</td>
<td><strong>Outputs</strong></td>
<td><strong>Outputs</strong></td>
<td><strong>Outputs</strong></td>
<td><strong>Outputs</strong></td>
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<td>---</td>
</tr>
<tr>
<td></td>
<td>1.1) Total number of permits/licences/clearances streamlined</td>
<td>1.1) Nil</td>
<td>1.1) 350</td>
<td>1.1) Government Gazette</td>
<td>Government remains politically committed to facilitate the business and investment climate, improve the regulatory framework and implementation of the EPA</td>
</tr>
<tr>
<td></td>
<td>1.2) Total number of permits/licences/clearances eliminated</td>
<td>1.2) Nil</td>
<td>1.2) 20</td>
<td>1.2) Board of Investment Annual Report</td>
<td>Political commitment from Government to eliminate irrelevant licenses</td>
</tr>
<tr>
<td></td>
<td>2.1) Average length of time to obtain a licence/permits for construction related projects (Building &amp; Land Use Permit – BLP)³</td>
<td>2.1) 41 months</td>
<td>2.1) 12 months</td>
<td>2.1) Report from E-licensing platform</td>
<td>Creation of a single committee for the processing of BLP licences/permits or alternative for parallel processing of applications.</td>
</tr>
<tr>
<td></td>
<td>2.2) Number of Licences to operate an activity in the Tourism sector</td>
<td>2.2) Multiple Licences</td>
<td>2.2) Single Licence</td>
<td>2.2) Report from E-licensing platform</td>
<td>The Board of Investment drives the project together with high officials of the Prime Minister’s Office.</td>
</tr>
</tbody>
</table>

Government remains politically committed to facilitate the business and investment climate, improve the regulatory framework and implementation of the EPA.}

³ BLP: Building & Land Use Permit
<table>
<thead>
<tr>
<th>Output 3: Effective implementation of regulations ensured</th>
<th>Output 4: e-Registry and e-licensing process implemented</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.3) Time taken for procedures to start business for unregulated activities 6</td>
<td>2.3) Report from E-licensing platform</td>
</tr>
<tr>
<td>2.4) Complexity of system for obtaining a licence</td>
<td>2.4) Multiple applications and Sequential processing with no tracking system</td>
</tr>
<tr>
<td>2.5) Status of Regulatory Impact Assessment</td>
<td>2.5) Regulatory Impact Assessment not done</td>
</tr>
<tr>
<td>3.1) Status of M&amp;E Framework</td>
<td>3.1) No M&amp;E framework</td>
</tr>
<tr>
<td>4.1) Number of licences automated in the e-platform</td>
<td>4.1) 0</td>
</tr>
<tr>
<td>5.5) On-line business</td>
<td>4.3) E-business</td>
</tr>
</tbody>
</table>

- Synergy between the Corporate and Business Registration Department and the Local Authorities
- Active participation and commitment of all public agencies related to the e-licencing project
- Government commitment for policy transparency in policy implementation
- The E-Licensing platform is fully operational
- Commitment from public sector agencies
Output 5: Capacity of regulators and end users to implement and sustain reform enhanced

<table>
<thead>
<tr>
<th>Output 5</th>
<th>Status of On-line business interface</th>
<th>Number of Public sector authorities connected on the e-licensing platform and service level agreement reached</th>
<th>Number of public institutions trained to use the e-platform</th>
<th>Communication and visibility campaigns conducted</th>
<th>Number of SME’s, youth, women and vulnerable groups with a pro-poor focus trained</th>
<th>Board of Investment Annual report</th>
<th>E-licensing platform operational</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.2)</td>
<td>interface not available</td>
<td>4.3) 0</td>
<td>5.1) Nil</td>
<td>5.2) 0</td>
<td>5.3) Nil</td>
<td>4.3) 20</td>
<td>4.3) Board of Investment Annual report</td>
</tr>
<tr>
<td>4.3)</td>
<td>4.3) 0</td>
<td>5.1) 20</td>
<td>5.2) 5</td>
<td>5.3) 300</td>
<td>5.3) National Empowerment Foundation, National Women Entrepreneurs Council, Small and Medium Enterprise Development</td>
<td>5.3) 300</td>
<td>5.3) Board of Investment Annual Report</td>
</tr>
<tr>
<td>5.1)</td>
<td>Nil</td>
<td>5.1) 20</td>
<td>5.2) 5</td>
<td>5.3) 300</td>
<td>5.3) National Empowerment Foundation, National Women Entrepreneurs Council, Small and Medium Enterprise Development</td>
<td>5.3) 300</td>
<td>5.3) Board of Investment Annual Report</td>
</tr>
<tr>
<td>5.2)</td>
<td>0</td>
<td>5.2) 5</td>
<td>5.3) 300</td>
<td>5.3) 300</td>
<td>5.3) National Empowerment Foundation, National Women Entrepreneurs Council, Small and Medium Enterprise Development</td>
<td>5.3) 300</td>
<td>5.3) Board of Investment Annual Report</td>
</tr>
<tr>
<td>5.3)</td>
<td>Nil</td>
<td>5.3) 300</td>
<td>5.3) 300</td>
<td>5.3) 300</td>
<td>5.3) National Empowerment Foundation, National Women Entrepreneurs Council, Small and Medium Enterprise Development</td>
<td>5.3) 300</td>
<td>5.3) Board of Investment Annual Report</td>
</tr>
</tbody>
</table>

- IT infrastructure and connectivity in place
- Effective implementation of training campaigns
- Communication and visibility plan approved by the Steering Committee
- Partnerships with relevant stakeholders and training institutions established.
| 5.4) Percentage of women entrepreneurs using the E-licensing platform as a total of the number of users of the platform | 5.4) Nil | 5.4) 20% | Authority, Ministry of Youth and Sports
Corporate and Business Registration Department and Report from E-Licensing Platform | Effective communication and awareness campaign to women associations/groups/Non-State Actors. |