



THE MAURITIUS CHAMBER OF COMMERCE AND INDUSTRY
SERVING BUSINESS SINCE 1850

PRESIDENT'S REPORT FOR THE YEAR 2009

March 2010

1. OVERVIEW

The financial crisis, which had started in the USA in the middle of 2008 and spread to the EU later, became a global economic crisis which spared no country in 2009. Although timely and vigorous measures taken by Government and a strong public-private sector partnership helped to mitigate the adverse impact on the Mauritian economy, GDP growth in 2009 was half the level of 2008. The impact of this lower growth has been uneven on the various sectors of the economy, individual enterprises and institutions.

The global crisis was a source of major concern for our Chamber. During the two years preceding the crisis, based on its comfortable financial situation, the Chamber had embarked on several major projects. These included a major investment in the 'Mauritius Cargo Community Services Ltd.,' (MACCS) to improve the logistics of our international trade, the 'Business Network Facilitation Services' (BNFS), a major project to computerize operations between Duty Free / Vat Free shops and our Refund Counter at Plaisance, and the introduction of Electronic Certificates of Origin (ECoO). The Chamber had also initiated a project to produce a monthly documentary film, to boost the image of the private sector, to be shown on the national TV.

Our Chamber had also successfully bid for three projects under the 'Decentralized Cooperation Programme', (DCP) of the European Community. The implementation of these three projects for a total value of Rs. 15.3 million had to be completed by the beginning of 2010.

In addition the Chamber had to pursue its drive to achieve higher levels of governance in its financial management, recruitment practices, general administration and its governing body. On the latter it had set itself the task of reviewing its contribution, which was last done 25 years ago.

To bring to fruition all these projects, the Chamber had not only to commit significant additional financial resources; it has had also to recruit additional staff, including two managers. Furthermore, to retain and motivate the staff the Chamber had commissioned a benchmarking exercise on the salaries and conditions of the staff.

It is clear that an economic crisis of the magnitude we witnessed last year represented a real threat to the pursuit of the ambitious agenda of our Chamber as our revenue streams depend heavily on the economic health of the country.

During such a difficult year, our Chamber showed its resilience. We completed most projects and made significant progress on the remaining ones. The BNFS has reached its cruising speed and generated its first surplus; the Electronic Certificate of Origin has reached testing phase and will be operational in the coming weeks; the three DCP projects have been completed; the first season of

the documentary film has been completed and work has started on Season II. The MACCS will be generating its first income next month.

The Chamber has implemented the recommendations of the Benchmarking Exercise and the salaries and conditions of the staff have been adjusted accordingly since July 2009.

The pursuit towards higher levels of governance remains intensive and the review of the constitution of the Chamber is almost complete.

Remarkably, our Chamber has delivered on all these fronts while its financial situation remains comfortable, although there has been a significant fall in the level of the surplus.

Beyond its own initiatives and projects, the Chamber has been extremely proactive in dealing with issues, which have confronted the business community and the country during the past year.

First, on the global economic crisis. The Chamber has been in the forefront with the Joint Economic Council to make proposals on the macro measures to mitigate the adverse impact of the crisis. The contribution of our Chamber has been through our memoranda for the July/December 2009 and 2010 Budgets, our participation in the implementation of the Additional Stimulus Package (ASP) and our various public statements on the policy orientations of the country.

Second, our advocacy to defend the business community on a large variety of issues which emerged on the local scene was relentless. Our contribution in the enactment of new legislations of interest to the business community, our endeavours to advance the agenda of trade/business facilitation and our fight against new unreasonable regulations and interventions of the public sector in the market, were the three cornerstones of this advocacy.

Third, our contribution in developing in Mauritius negotiating stands for our various trade negotiations and our actual participation in these negotiations continued to make of the Chamber the common private sector partner of Government in all trade negotiations.

Fourth, our continued active participation in private sector initiatives in the region and beyond has further enhanced the image of the Chamber worldwide. The fact that the Chamber remains the focal point for almost all visiting trade delegations to Mauritius and the impressive list of dignitaries who visited our Chamber last year are a vivid illustrations of the international reputation of our institution.

To crown it all, in spite of such a busy and challenging year, we found the time and resources to celebrate our 160th Anniversary. The function on 22 January 2010 was remarkable and more is to come during the year.

2. THE CHAMBER IN ITS REPRESENTATIVE ROLE

The Chamber draws its legitimacy to speak on behalf of the whole business community from its multi-sectoral membership. During the past year it continued to broaden the base of this representation by taking on board new members from a variety of new sectors. It has also improved the indirect representation through its association with sectoral organizations. The past year also witnessed a progress exercise to review the constitution of the Chamber to make it more representative of the business community.

(a) Direct Membership

During 2009 the Chamber welcomed 20 new members. With more and more members coming from the sectors such as ICT, architecture, the legal profession and consultancy, the Chamber is consolidating its multi-sectoral character. Thanks to its proactive approach towards the new sectors, the Chamber is increasingly being viewed as being equipped to support businesses not belonging to the traditional sectors of industry and trade. This is particularly true of the growing sector of services.

The Chamber has also initiated during the year a consultative process in the form of breakfast meets to provide greater interaction between the Chamber and its members on issues that can have a direct impact on the business community. The first meeting was organized in October 2009.

(b) Representation Through Associations

In addition to the three associations (the ‘Chinese Chamber of Commerce’, the ‘Indian Traders Association’ and the ‘Chamber of Merchants’) which have historically been with the Chamber, there is a continuous effort to enlarge the representation of the Chamber through sectoral associations. A number of associations are members of the Chamber (the Mauritius Bankers’ Association, the Insurers’ Association, AHRIM, ‘Association des Femmes Chefs d’Entreprises’,...). The Chamber has developed a more structured collaboration with some of them.

(i) The Association of Mauritian Manufacturers

Last year, the Chamber signed a new agreement with AMM with a view to consolidate our partnership and to provide stronger support to the Association under this new agreement, the Chamber’s role in promoting the local industrial sector will be enhanced. We shall collaborate with AMM to organize workshops, to carry out studies and to defend the interests of manufacturers. A

paper on the crucial issue of ‘Residual Duty’ will be prepared and submitted to Government.

(ii) The Association Professionnelle des Transitaires

Our Chamber has been hosting the Secretariat of the Association Professionnelle des Transitaires (APT) since the year 2005 and this year again this trust between our two organisations has been renewed.. This close collaboration between our two organisations has further enhanced our contribution towards our common objective of trade facilitation.

(iii) Outsourcing and Telecommunications Association of Mauritius (OTAM)

The Chamber also hosted the Secretariat of the Outsourcing and Telecommunications Association of Mauritius (OTAM) for a 4th consecutive year and has been providing administrative assistance to the association for the implementation of a training programme targeting potential employees of the ITES/BPO sector.

Discussions are under way to develop with OTAM a stronger partnership on the MCCI-AMM model.

(c) Review of the Constitution of the Chamber

The Sub-Committee of the Council, chaired by Past President Ahmed Parkar and comprising other Past Presidents as members, held several meetings during the year and presented its recommendations to Council in February 2010. Given the scope of the changes proposed, there is still some work to be done to submit the amendments for approval at an Extraordinary General Meeting.

The proposed amendments will not only ensure that the composition of the Council be an up to date reflection of the structure of the economy, with due representation of new sectors and the SME component; they will enhance the open, democratic and discrimination-free character of the institution.

The new constitution, together with all the measures taken in recent years to improve the governance of the Chamber, will certainly make of it the beacon of governance among private sector institutions.

3. ADMINISTRATION AND FINANCE

(a) Staff Matters

(i) Movement of Staff

During the year 2009, two staff Members were recruited, while one retired and another two resigned.

At the Head Office, Mr Cyril Mooroooven, Messenger, retired in August 2009 after having served the Chamber for a long time. Ms. Laura Shock-Torap, the analyst of the Economic Analysis and Industry Division resigned in January 2010.

At the Centre for Business Studies, Mr. Nicolas Deville was recruited as Lecturer in January 2009. Ms. Annie Yellapachetty, Administrative Assistant, resigned in August 2009.

At the Duty Refund Counter, Mrs. Jennifer Fok Chak was recruited in July 2009.

(ii) Benchmarking Exercise

In order to motivate and retain the staff, a benchmarking exercise was commissioned by the Chamber in 2009 with the objective of comparing the working conditions at the Chamber with those prevailing in other private organizations. In spite of the adverse impact of the economic crisis on the finance of the Chamber, the recommendations have been implemented since July 2009.

(iii) Team Building

In the context of the team building activities of the Chamber, the staff of the Head Office in Port-Louis, of the Centre for Business Studies and of the Duty Refund Counter at Plaisance had the opportunity to spend a fun day at La Vallée de Ferney in October 2009.

(iv) Training

Ms. Faeza Ibrahimsah, the Manager of the Communications and Promotion Division, participated in a seminar on “Capacity Building” organized by the Conférence Permanente des Chambres Consulaires Africaines et Françaises in September 2009 in Madagascar.

Mr. Anwar Kaidoo, Operations Manager, attended a two-day workshop on "Influencing with Assertive Communication" in September 2009. This course provides practical skills and tools to achieve the goals at work with the help, cooperation and commitment of others in view of impacting positively organizational performance.

Mr. Vivagen Amoomoogum, Analyst from the Trade Division, participated in a 6-week introductory course on Diplomacy and Foreign Trade organized by the Ministry of Foreign Affairs, Regional Integration and International Trade. The objectives of the course were to familiarize the participants with the different aspects of international relations and with Mauritius foreign trade policies.

(b) Internal Audit

The Audit Committee was chaired last year by Mr. Cédric de Spéville.

In its quest to improve the financial management of the Chamber, the Committee pursued its work initiated several years ago. Two main areas were covered by the Internal Auditors namely:

- Procurement and Payment Process, Payroll Process and Stock Management Process
- Receipts , Cash Reconciliation and Banking

The recommendations made have since been implemented in most cases.

In addition, the Audit Committee also reviewed the BNFS project so as to assess its viability and profitability.

The Audit Committee has also recommended the preparation of a Manual of Finance and Accounting Procedures.

(c) Finance

The audited accounts of the Chamber have already been circulated to Members. There were apprehensions at the beginning of the year that the scale of the economic crisis might negatively impact on the finance of the Chamber, causing a deficit after years of surplus. However, despite a fall in revenue in some specific activities, the year ended with a surplus, although significantly lower than that of the previous year.. It is clear that the Chamber will have to monitor its expenses closely and to see to it that its revenue-generating activities fare better in the future.

4. DEFENCE AND PROMOTION OF THE INTERESTS OF THE BUSINESS COMMUNITY

(a) National Economic Policy Orientations

The policy dialogue that the Chamber normally entertains with the Public Authorities in general, and the Ministry of Finance in particular, on major macro issues, was especially intense during the past year, as the country felt the full impact of the global economic crisis.

In addition to the normal submission for the Annual National Budget exercise, the Chamber also submitted a memorandum for the six-month Budget in 2009.

The Chamber also organized two events, one on the ASP and the other on the 2010 Budget.

In addition the Chamber expressed its views on a number of occasions, the most significant of which was the speech of the outgoing President in March 2009 on the ‘State of the Economy’.

(i) The Speech on the ‘State of Economy’

The speech of the President of the Chamber at the AGM on the ‘State of the Economy’ normally attracts a lot of attention from the Authorities and other stakeholders. In March 2009, it was the first opportunity for the Chamber to pronounce itself on the impact of the crisis on Mauritius and the ASP put into place in December 2008. In that speech the President expressed two fundamental points: first, the support mechanisms had to be made more responsive to the needs of businesses in difficulty; second, that the emphasis should be on building the resilience of enterprises to save and create jobs in the longer term.

The position of the Chamber was eventually taken into consideration by both the Ministry of Finance and the Ministry of Labour.

(ii) The July/December Budget

The six-month Budget of 2009 provided the Chamber with the opportunity to re-instate in its memorandum, the position developed in the ‘State of the Economy’, regarding the ASP and the MTSP. Drawing from the food crisis of 2008, it also argued for a ‘residual duty’ for the local food sector and other strategic sectors. The Chamber also advocated for greater support to the manufacturing sector and the operationalization of the MID Fund.

The July/December Budget did re-structure the ASP, provided greater support to the manufacturing sector through the MASMED Fund and announced other measures recommended by the Chamber.

(iii) Seminar on ASP

In August 2009, the Chamber organized a seminar on the theme “Addressing the Challenges of the Economic Crisis: a comprehensive presentation of the instruments of the stimulus package” to raise the awareness of Members on the facilities provided by Government with the participation of the Vice Prime Minister and Minister of Finance. The seminar was well attended and proved to be very useful.

(iv) Meeting on the Macro-economic perspective of the 2010 Budget

A breakfast meet on “The Macro-economic perspective of the 2010 Budget” was organized on 20 October 2009 at the Labourdonnais Waterfront Hotel. The objective was to sensitize Members on the challenges of the 2010 Budget, so that they can reflect and submit their proposals for inclusion in the Memorandum of the Chamber.

(v) *Memorandum on the 2010 Budget*

In November 2009 the Chamber submitted its Memorandum on the 2010 Budget, which was the first one being presented on a calendar year basis. The Memorandum stressed on the importance of maintaining the ASP, in spite of the better prospects for a recovery in the world economy. It also dealt on the steps to be followed for a subsequent 'exit strategy' for the ASP. It insisted on building the competitiveness of enterprises through improvement in the business environment and new incentives. It also highlighted the challenges of sustainable development, putting emphasis on the golden triangle of food, water and energy.

In 2010 Budget, the ASP was maintained, support to the productive sectors was re-organized and more emphasis was laid on green Mauritius.

It is to be noted that the Secretary-General of the Chamber, who was the Vice-Chairman of the MASMED Fund, has been given the same position in the newly-established 'Support to Manufacturing and Services Sector' (SMSS) Fund and has also been made a member of the 'Saving Jobs for Recovery' (SJR) Fund, chaired by the Financial Secretary.

(vi) *Other Contributions to Policy Orientations*

The President and the Secretary-General have, during the course of the year, given their views, through interviews, debates and other statements with the media, on several key policy orientations such as the exchange rate, monetary policy, inflation and growth prospects.

(b) Trade

(i) *The Local Trade Environment*

One of the key missions of the Chamber is the promotion of the interests of the trading community and this year the Chamber has been active on the trade front to fulfill this mission.

- *New legislation on advertising and sale of alcoholic beverages*

New regulations on advertising, sponsorship and labeling requirements of alcoholic drinks were introduced last year by the Ministry of Health and Quality of Life, with the regulations expected to come into operation in March 2009. Several representations were made to the Chamber from our Members regarding a number of practical difficulties that would be encountered with the new regulations, more specifically with regard to the provisions relating to the ban on advertising of alcoholic beverages and labeling requirements. Several meetings were held at the Chamber with the operators and a Memorandum was sent to the Ministry of Health and Quality of Life highlighting the problems raised by our Members as well as requesting some flexibility in the application of the new law.

One of the new measures included the affixing of health warnings on all alcoholic beverages. As a result of the application of the law, several consignments of alcoholic beverages were held at importation causing considerable disturbances to trade. Following several letters sent to the Ministry and a meeting between the President of the Chamber, Mr. Kiran Juwaheer and the Hon. Dr. R. Jeetah, Minister of Health and Quality of Life, it was agreed that the Ministry of Health would allow some flexibility in the application of the law. The Chamber has since been closely monitoring the situation.

- *Sub-Committee on the Protection of Purchasing Power*

As part of the ASP, several sub-committees were set up to work out recommendations on specific sectors with a view to mitigate the adverse impact of the expected global economic slowdown.

A Sub-Committee on the Protection of Purchasing Power was set up with the Secretary-General of the Chamber appointed as co-chairperson together with the Permanent Secretary of the Ministry for Consumer Protection and Citizens Charter. The Sub-Committee was entrusted with the responsibility to work out proposals for ensuring that the purchasing power of the population be maintained.

Following several meetings, the Sub-Committee recommended a three-pronged approach, namely the setting up of an ‘Observatoire des Prix’ in Mauritius, conducting a Benchmarking Exercise and carrying out an education campaign for consumers.

A public-private sector delegation comprising of Government Officials, the Chamber and Consumer Associations was in Réunion Island to study the functioning of the ‘Observatoire des Prix’ there. The subsequent recommendation was the setting up of an ‘Observatoire des Prix’ in Mauritius to oversee the evolution of prices in general, with under its purview a Commission to specifically monitor the evolution of prices of consumer goods over time through the model of ‘Chariot-type’ existing in Reunion.

The carrying out of a Benchmarking Exercise was also proposed so as to provide a comparative analysis of prevailing prices in Mauritius and other cities in the region. The study would provide a basis for assessing the price differential in Mauritius for the same products and in other markets with similar characteristics.

- *Elimination of Trade Barriers*

Facilitating business by removing administrative hurdles has always been high on the agenda of our Chamber. The Chamber has been working both at national and regional level to achieve this objective.

At national level, a Non-Tariff Barriers (NTB) Review Committee has been set up in view of further fast-tracking the reduction and elimination of NTBs in Mauritius.

Our Chamber has also been appointed as the Private Sector National Focal Point for the reporting of trade barriers experienced by our Members in the region namely in SADC and COMESA. As part of this responsibility, the Chamber organized in April 2009 a National Workshop in collaboration with the SADC Secretariat to apprise businessmen on the on-line reporting system for non-tariff barriers experienced in the region.

- *Introduction of the Trade (Anti-Dumping and Countervailing Measures) Bill*

Over the last decade, the Chamber has been constantly advocating the need to have a trade remedy legislation and has been actively working with the Government to achieve this objective. The Trade (Anti-Dumping and Countervailing Measures) Bill was finally introduced at the National Assembly in December 2009. The new bill aims at protecting the domestic industry against the unfair trade practices linked to dumped and subsidized imports and will provide the necessary recourse to operators to respond to trade-distorting practices. With the inevitable trade liberalization process, the adoption and operationalization of the trade remedy legislation remains a priority for the business community.

(ii) *The International Trading Environment*

As in the previous years, international trade negotiations have been an important item on the programme of activities of the Chamber with our main objective being to assist the business community to better integrate in the international trading environment and adjust to the on-going trade liberalization process.

- *Joint Public-Private Sector Committee on International Trade Issues*

With several trade agreements being negotiated in parallel, the Joint Public-Private Sector Committee on International Trade, set up under the chairmanship of Dr. the Honourable Arvin Boolell, Minister of Foreign Affairs, Regional Integration and International Trade, proposed the elaboration of a Roadmap for Trade Negotiations to set the priority areas in trade negotiations, as well as to ensure that an all-inclusive approach is adopted in the elaboration

of the positions in the different trade negotiations. Our Chamber was actively involved in this process.

- *WTO Negotiations*

At the level of the WTO negotiations, the Chamber participated at national level in preparatory meetings in view of the Seventh Session of the WTO Ministerial Conference held in Geneva, in December 2009, where the Ministers reaffirmed the need to conclude the Round in 2010 and for a stock-taking exercise to take place in the first quarter of following year.

- *Regional Trade Negotiations*

At the level of the region, trade to SADC and COMESA countries has started to gain momentum over the past few years with our regional exports representing around twelve percent of our total exports. Both regional blocks are now engaged in deepening the trade integration process with regional meetings taking place for the consolidation of their Free Trade Areas and the establishment of the respective customs unions.

However, following the decision of the Tripartite Summit in October 2008 for the three main regional groupings, namely SADC, COMESA and EAC, to rationalize and harmonize their trade agreements, work has started in the region for the setting up of a single free trade area with the ultimate objective of moving to a single customs union. The Secretary-General of the Chamber participated in the meetings of the SADC Ministerial Task Force on Regional Integration in June 2009 and February 2010 which worked on prioritizing implementation of the regional integration agenda, and in particular, the achievement of the Free Trade Area and Customs Union as key strategies to achieve the objective of market integration.

(iii) *Bilateral Trade Agreements*

The negotiation of bilateral trade agreements has also been high on the agenda of the Chamber with the focus on the free trade areas being negotiated with Turkey, Pakistan and the United States

- *Turkey*

Bilateral negotiations for the setting up of a free trade area (FTA) between Mauritius and Turkey were launched in June 2009 following a shared interest from both countries to strengthen their trade relations. Significant progress has been achieved in the three rounds of negotiations held between the two countries. The Chamber has been closely involved in the negotiating process. Both countries agreed that existing trade potential between the two countries should be fully tapped and that the establishment of the FTA would be an effective vehicle to expand and diversify bilateral trade.

- *Pakistan*

Negotiations for the setting up of an FTA between Mauritius and Pakistan are also underway. The eighth meeting of the Joint Working Group between Mauritius and Pakistan was held in October 2009. Both parties reviewed the implementation of the Preferential Trade Area and worked on the framework agreement for the setting up of a Free Trade Agreement between the two countries. In the margins of the meeting and as part of its objectives of sensitizing the business community, the Chamber organized a workshop to apprise operators on the main provisions of the existing PTA as well as the trade opportunities between the two countries.

- *USA*

The Chamber attended the third meeting of the Council of the Trade and Investment Framework Agreement (TIFA) between Mauritius and the United States held in April 2009, at Le Meridien Hotel, in Balaclava.

With regards to the TIFA Work Plan, concrete steps have been taken in the implementation of the priority areas as outlined in the Work Plan. It was agreed to work towards achieving some tangible quick gains in order to improve business confidence and unleash the potential for increased trade.

The USA has also agreed to negotiate a Bilateral Investment Treaty (BIT) with Mauritius. The announcement was made by Hilary Clinton at the AGOA Forum, held in Nairobi in August 2009. The Secretary-General attended the function in Nairobi.

- *Economic Partnership Agreement*

The Interim Economic Partnership Agreement (EPA) was signed in Mauritius on the 29 August 2009 by four countries in the Eastern and Southern African group, namely Mauritius, Seychelles, Zimbabwe, and Madagascar. On the European Side, the Agreement was signed by the Trade Commissioner Baroness Catherine Ashton and Swedish Deputy Trade Minister Gunnar Wieslander. The Chamber had been participating in the trade negotiations which led to the signature of the Interim EPA. The latter provides for full access to EU markets with transition periods for rice and sugar, together with improved rules of origin for our exports, namely textile and clothing, agro-processed products and canned tuna.

(iv) *Workshops and Seminars*

- *AGOA week*

With a view to sensitizing stakeholders on the opportunities arising from Africa Growth and Opportunity Act (AGOA), more specifically on the ‘third country fabric’ derogation, the Chamber collaborated with the Ministry of Industry, Science and Research in the organization of an AGOA Week in April 2009. Among the different activities, a high-level workshop on “Opportunities to export to the US market under AGOA” was organized for those companies interested in exploiting the trade opportunities available on the US market.

- *WTO Workshop on Technical Barriers to Trade*

The Chamber participated in a Regional Workshop on Technical Barriers to Trade (TBT) held from 12 to 14 May 2009 in Mauritius, organised by the World Trade Organisation. The objective of the workshop was to familiarise participants on the principles and disciplines of the TBT Agreement. It also aimed to improve understanding of TBT-related trade issues with a view to promoting a more effective participation of the African region in the work of the WTO TBT Committee.

- *Workshop on the Occasion of the International Customs Day*

The Chamber made a presentation at a one-day workshop organized by the MRA Customs Department on the occasion of the International Customs Day on 26 January 2010, held at La Cannelle, Domaine Les Pailles. The theme of the workshop was ‘Customs and Business: Improving Performance through Partnerships’. The Secretary General of the Chamber made a proposal for the setting up of a ‘Single Window’ platform which would integrate all the various systems currently in place. The proposal became one of the main recommendations of the workshop.

- *Participation of the MCCI in the SADC Trade Facilitation Workshop*

In view of deepening the role of the private sector in trade facilitation and customs transformation within SADC, a SADC Private Sector Trade Facilitation Workshop was organized on 18-20 November 2009 in Lusaka, Zambia. The objective of the workshop was to familiarize the participants from Freight Forwarders Associations and Chambers of Commerce in the SADC region, with the provisions under the SADC Trade Protocol and on the status of the negotiations for a SADC Customs Union.

(c) Industrial Development

With profound changes in recent years in the competitive environment both in Mauritius and the outside world, the industrial sector had major challenges to tackle. The economic crisis of 2008/2009 has compounded the difficulties faced by the sector. Given the context, the Chamber has been advocating since a number of years the need to formulate a new industrial strategy for the country. The 'Industrial and SME Strategic Plan 2010-2013' was released in early 2010.

The Chamber had been pushing for support measures for the industrial sector even prior to the outbreak of the global economic crisis, which gave birth to the MASMED Fund. During the year the Chamber continued to push to get further support to the industrial sector under the ASP.

It has also been in the frontline of discussions to promote both the defensive and offensive interests of industry, as far as regional and international trade are concerned.

In addition, the Chamber has been proactive to address the new challenges for industry in the field of renewable energy, the environment and sustainable development.

It has finally consolidated its work in the area of structured policy dialogue both with the Ministry of Industry and sectoral industrial organizations.

(i) The Industrial Strategy

During the past year the Ministry of Industry and Science worked on the 'Jenders Report', to which the Chamber had contributed, to produce a comprehensive strategy which incorporates the SME sector. The new strategy entitled 'Industrial and SME Strategic Plan 2010-2013', lists out a number of objectives with an implementation plan and estimated Budget. It is rather unfortunate that the implementation of the strategy is split between two ministries, which would inevitably be a source of duplication and unnecessary complications.

The Chamber has been chosen to be a member of the instruments put into place to implement the new strategy.

(ii) Support to the Industrial Sector

The Chamber, through its action in the 'Industrial Development Task Force' (IDTF), which it co-chaired, the UNIDO project of 'Industrial Upgrading and Modernization Programme' (IUMP) and two projects of the World Bank in Mauritius geared towards the industrial sector, has contributed to the setting up of new support schemes for the industrial sector.

- the Leasing of Equipment to the Manufacturing Sector (LEMS)

Both in the IDTF report and the IUMP project, there was emphasis on the support of industry to acquire modern equipment. Under the Additional Stimulus Package (ASP) Government put into place a leasing scheme to meet this objective. The ‘Leasing of Equipment to the Manufacturing Sector’ (LEMS) scheme, initially had a LEMS I for SMEs (for industries with a turnover up to Rs. 50 million) and a LEMS II for larger enterprises (up to Rs. 150 million). The Chamber made representations to increase the ceiling of turnover, which gave rise to a LEMS III.

The LEMS (I to III) scheme has been the most successful scheme of the ASP in terms of direct assistance to enterprises.

- The ‘Support to the Manufacturing and Services Sector ‘ (SMSS) Fund and the ‘Support to SME’ (SSME) Fund

As mentioned earlier, after representations made by the Chamber and other private sector organizations, the various schemes under the ASP have been reviewed and two new instruments have been put into place since January 2010, the ‘SSMS’ and ‘SSME’, to provide support mainly to the manufacturing sector.

The Chamber is co-chair of the ‘SMSS’ and member of the SME Funds.

(iii) Addressing the interests of the Industrial Sector in trading arrangements
The interests of the industrial sector have been at the core of the Chamber’s strategy in trade negotiations and the local trade regime.

- The offensive interests of Industry

Our efforts have concentrated on enhancing the market access on existing preferential market access and opening preferential access to new markets, as mentioned earlier.

The better ‘Rules of Origin’ obtained under the EPA Interim Agreement and the ‘Third Country Fabric’ under AGOA were major achievements in the recent past. Similar efforts are being deployed by Chamber to improve Rules of Origin in the SADC and COMESA Trade Agreements and to eliminate Non-Tariff barriers. The ‘Tripartite Initiative’, mentioned earlier, has also the potential to deliver better market access for our products to the region.

On the bilateral level our current involvement in the negotiations with Turkey, Pakistan and the USA is fully geared to providing new markets to our industrial products.

- The defensive Interests of Industry

As mentioned earlier, the defensive interests of Industry are taken fully on board in all trade negotiations. It is, however, worthy of mention that after obtaining at the local level the freezing of import duty reductions until December 2010, the Chamber succeeded during the past year to convince Government to negotiate with SADC a similar freezing in our reduction commitments for sensitive products. This was indeed a great achievement.

In addition, as a follow-up to the recommendations of the IDTF Report, the 'Anti Dumping Legislation' became a reality, as mentioned earlier. In addition a Ministerial Committee, chaired by the Minister of Foreign Affairs, International Trade and Regional Cooperation and comprising other Ministers and Officials, and representatives of the private sector, including the Chamber, has been set up to look into ways of establishing a level playing field between locally manufactured products and imports.

(iv) The Challenge of Sustainable Development

The Chamber has been the first private sector institution to sensitize industry on the challenges of renewable energy, the environment and sustainable development. Its initiatives were prompted by its close association with public and private institutions in Reunion Island, which had made significant progress in addressing these issues.

The Chamber had discussions with UNIDO on its clean technology project in Mauritius. It also prepared a project on energy audits in enterprises. It participated in discussions with the Ministry of Environment and the Ministry of Industry on the proposed ban on the use of plastic bags.

Unfortunately, little progress has been achieved from these initiatives, the main reason being the lack of clarity both in the public sector and the private sector on the division of work and the leadership on the various issues of sustainable development.

The operationalization of the 'Maurice Ile Durable' (MID) Fund holds the key to unlocking the various constraints to implement innovative projects in the field of sustainable development. The Chamber has made several representations during the past year on this subject.

(v) Structured Dialogue on Industrial Policy

Given the reach that the Chamber has on industrial issues, it plays an important role in bringing together proposals from various segments of industry to entertain a structured dialogue with the Authorities.

- The MCCI – Ministry of Industry Joint Committee

Since over year now a Joint Committee of the Chamber and the Ministry of Industry and Science has been set up under the Chairmanship of the Minister of Industry and Science, to have a structured dialogue on all industrial issues. The Chamber had the opportunity to put across to the Minister and the High Officials of the Ministry the key problems affecting industry, such as the 'level playing field' consideration or support to industry, discussed earlier.

- Cooperation with the Association of Manufacturers (AMM)

As mentioned earlier, during the past year the Chamber increased its support to AMM in its task of promoting the development of the Domestic Oriented Enterprises. It worked closely with AMM to develop common positions on a number of issues, which were transmitted to the Authorities.

- Support to the Jewellery Sector

Operators in jewellery sector, which have been severely affected by the global economic crisis, came to Chamber during the past year to seek assistance. They had two requests : first, to assist them to put into place a National Federation of Jewellers, which would replace the fragmented existing structures; and second, to develop a new strategy which would break the divide between export enterprises and domestic oriented enterprises. On the first request, the Chamber had a number of meetings with the various existing associations of jewellers and there is consensus emerging for the creation of a Federation.

On the issue of strategy, the Chamber has prepared a proposal for a brainstorming exercise, which will include all segments of the jewellery sector. The proposal has been submitted for financing under the SSMS Fund, through 'Enterprise Mauritius' and this exercise will be held in the coming weeks.

(d) Business Facilitation

In addition to its advocacy in favour of a more business-friendly environment, the Chamber has, over the years, set into place a number of business facilitation services. The modernization and improvement of these services are a permanent feature of the Chamber. The identification of new business facilitation services is also a priority of the Chamber

(i) Barcode Service

GS1 Mauritius, represented in Mauritius by the Chamber, welcomed 188 new subscribers to the GS1 bar-coding system in 2009. The majority of new subscribers were from SMEs and individual business entrepreneurs.

The Chamber also organized a one day Workshop in November 2009, with the collaboration of GS1 South Africa. Mrs. Fiona Van der Linde, Manager for Global Data Synchronization at GS1 South Africa, was the resource person who intervened on GS1 bar-coding and product traceability, followed by two days of on-site visits in Member companies. The seminar was interactive and focused on practical hands-on exercises meant to help participants improve their use of barcode.

(ii) *ATA Carnets*

The ATA carnet, which the Chamber issues since 1984, facilitates the duty-free temporary imports of certain categories of goods in a number of countries.

In 2009, the Chamber issued ATA carnets for goods of a total value of around Rs 20 million, mostly for jewellery and garment samples, and filming and photographic professional equipment. Europe, US, India and South Africa were the main countries of temporary export.

(iii) *Mauritius Cargo Community Services Ltd*

The project of the Cargo Community System will become operational this year with the launching of the transshipment phase scheduled in July 2010. The manifest phase was launched in August 2009. The Chamber is still quite involved in the implementation of the project.

(iv) *Electronic Certificate of Origin*

The Chamber has been issuing Certificates of Origin since 50 years. The project to replace the manual system with an advanced electronic system was initiated in late 2008.

It has now reached the testing phase. A first information session was organized with stakeholders and other such sessions will be organized to introduce the new system and identify constraints of users. The launching is expected to take place in April 2010.

(v) *Duty and VAT Refund*

The Duty/Vat Refund Services of the Chamber, especially the MCCI Business Network Facilitation Services (BNFS), witnessed major developments during the past year.

- *Enrolment on the BNFS*

The number of shops under the BNFS, has grown from 50 to 170, doubling the number on vocal server (phone –based) subscribers and quadrupling the number of LIGHT/CONSO (computer-based) subscribers. This development has been possible thanks to the DCP funded MCCI Business Network Facilitation Services for SMEs discussed later. One hundred SME shops have

joined the network benefiting from free training, PC, modem and related equipment and software.

- *New Technology*

The Chamber has also acquired 3 keyboards with Optical Character Recognition enabling passport reading of tourists coming to our counter for refunds.

- *Promotion and Branding*

The BNFS has also been branded as Tax Tourist Refund Online System (TTR) with a new logo that can be easily recognized by tourists visiting the country. Furthermore, a dedicated website (www.touristrefund.org) was launched in January 2010 which tourists can browse even before they come to the country. It gives all the practical details for duty-free shopping in Mauritius and list more than 100 shops that are online with the MCCI Counter at the airport. This will give further confidence to tourists to buy from the online shops since it can be verified independently that they are registered with MCCI for refunds or delivery of duty-free items at the SSR International airport. A bilingual guide (English/French) has been published giving all the details for tourists to enjoy duty-free or VAT-free shopping in Mauritius. Finally, a mini-clip has been produced and is shown on all long-haul flights of Air Mauritius in the magazine 'Maurice Prestige', which has a high audience amongst tourist viewers. The mini-clip can be viewed on the website where the guide can also be downloaded. The Tax Tourist Refund System will soon be linked with Mauritius Revenue Authority (MRA) at Customs and VAT levels.

- *The DCP Funded Project*

The MCCI Business Network Facilitation Services for SMEs, funded upto 75% by the European Union through the Decentralized Cooperation Programme was successfully completed last month. It involved free training and equipment for SMEs under the Business Network Facilitation Services (BNFS), with a project value of Rs5.6 million. 10 small shops for the Vocal Server and 100 more for the BNFS SME LIGHT option have joined our network thereby eliminating any digital divide which existed for SMEs. The project provided free initial training and equipment as well as a reduction of up to 50% in the monthly fee of the LIGHT option of the MCCI Business Network Facilitation Services (BNFS). The European Union, shop operators and tourists have all expressed their satisfaction on this innovative improvement of the services provided by the Chamber.

(vi) Arbitration

The new legislation on arbitration has set a new legal environment for the conduct of arbitration proceedings. In addition, several arbitration cases are in process at the MCCI Permanent Court of Arbitration.

The conditions are now more conducive for active sensitization of the business and the legal community on the benefits and techniques of arbitration in the field of business dispute resolution. In this context, the Chamber has made several presentations to law firms and business associations during the course of the year on Alternative Dispute Resolution (ADR) and the MCCI Permanent Court of Arbitration.

(vii) Intellectual Property Rights (IPR)

In 2009, the Chamber collaborated with the Ministry of Foreign Affairs, International Trade and Regional Cooperation in the organization of a national forum for updating Intellectual Property legislation and building the capacity of officials for the enforcement of IPRs in Mauritius.

The Chamber made several recommendations, namely regarding the regulation of franchising and licensing activities. The use of the MCCI Permanent Court of Arbitration for the resolution of IP related disputes, in collaboration with the WIPO, was also proposed.

(viii) Competition

During the past year the Chamber pursued its close involvement in the implementation of the new competition legislation in Mauritius. On the one hand, it worked with the Competition Commission to develop the guidelines. On the other hand, it conducted a sensitization campaign among the business community on the new legislation. In this context, in February 2010, the Chamber organized, in collaboration with Parker Randall, CUTS International and the CUT Institute for Regulation and Competition, a major two-day Workshop on Competition Policy and Law, Anticompetitive Practices and Trade Remedial Measures. Around 40 participants took part in the workshop, which was conducted by eminent local and international resource persons.

5. COMMUNICATIONS

In this information age no organization can effectively fulfill its role without an imaginative communications strategy. During the past year the Chamber consolidated its existing tools and embarked on new forms of communications. It adopted a three pronged approach: first, enriching the quality of its business information; second, improving its own image as an organization at the service of the business community and the country; and third, promoting the image of the business community as a whole.

(a) Publications and Web-based Services

The Chamber authors various publications which aim at disseminating trade and economic information. All the publications are available on the MCCI's website.

(i) Chamber News

In line with its objective of keeping Members regularly informed on latest developments in the economic and business environment, the Chamber has been regular in its issue of the weekly newsletter, the 'Chamber News'. The 500th issue of the newsletter came out in December 2009.

(ii) CCI Info

The CCI Info, the Chamber's magazine which has a wide distribution, going beyond the membership of the MCCI, has been published three times last year. It gives an account of the Chamber's activities and also contains articles which contain in-depth analysis of issues related to trade and industry or other topics linked to the Chamber's activities. A special issue of the CCI Info, dedicated to the 160th Anniversary of the institution will be launched during the official part of the AGM.

(iii) Annual Report

The 2008 Annual Report was released in May 09. In addition to the message of the President of the MCCI, who comments on and assesses the various achievements of the Chamber, it contained an analysis of the Mauritian economy.

(iv) The Mauritian Economy in Figures

An annual publication, 'The Mauritian Economy in Figures', is designed to be a handy instrument for businessmen and other interested parties who need to consult figures of the economy in order to define their own future policies. The 2008 edition was released in June 2009.

(v) Membership Directory

During the year the Chamber embarked on a new project of producing a Membership Directory. The first edition of the Directory 2009/2010 was launched in October 2009. The Directory provides a dynamic tool for Mauritian businesses and entrepreneurs to promote their respective products, brands and corporate branding. The Directory is on sale in libraries. It will soon be available in soft version.

(vi) Website

The new website of the Chamber was launched in October 2009. It has been upgraded both aesthetically and functionally to adapt to the changing needs of

our Members and to be in line with new technology. It also proposes various innovations like the video window, which disseminates films and videos relevant to the activities of the Chamber.

The new website of the MCCI gives the opportunity to Members to post their advertisements. It also includes a Members' area to enhance the services of the MCCI exclusively reserved to its Members.

(b) The Image of The Chamber

Improving and enhancing the image of the Chamber among Members of the business community and other stakeholders has been among our key objectives since quite a while.

(i) Consultancy Services

The Chamber hired the services of a PR company in 2008 to assist it in consolidating its image. The Company has developed a plan which includes the constant promotion of a positive image of the Chamber and the development of new communication channels to create an all-encompassing unified image of the Chamber.

This initiative has positively contributed to enhance the image of the Chamber. It has been present in the local press with around 140 coverages of its events in the local press in 2009. Moreover, this image has been further comforted by the number of visits of dignitaries and high-level delegations who consider our institution as the first contact point of the private sector when visiting Mauritius.

At international level, the MCCI continued to promote itself through participation in Seminars and Conferences.

(ii) Survey on the Image of the Chamber

Nevertheless, the Chamber feels that it should evaluate its corporate image among its different stakeholders. It has therefore, commissioned a survey on its image. The purpose of the research will be to identify areas for improvement so that the MCCI responds better to the needs and image expectations of the stakeholders. Following this exercise, a new branding strategy will be developed.

(iii) Participation of the MCCI in the 24/7 Festival Week in Port-Louis

The 24/7 Festival Week held from the 31st July to 2nd August 2009, in Port-Louis, provided another opportunity for the Chamber to promote its image. The office of the Chamber was open to the public until late at night. An exhibition was organized in the main lobby of its building and the documentary film entitled "100% Challenge" was shown on giant screen in front of the building.

The Chamber was also honoured by the visit of the Lord Mayor of Port-Louis Mahendra Goondeea, who expressed his satisfaction regarding the involvement of the Chamber the 24/7 Festival Week. The Lord Mayor was accompanied by the Council Members of the Municipality of Port Louis.

(iv) 160th Anniversary Celebrations of the MCCI

The celebration of the Chamber's 160th anniversary in 2010 provided a great opportunity to project a positive image of our institution.

A celebrations committee chaired by the Vice-President, Mr. Marday Venketasamy had been set up to work out a programme of activities.

- *The sensitization campaign*

A number of actions were taken to generate interest in the celebrations.

Our Chamber made insertions in the local press to generate the interest of the business community and the public at large in the role of the institution. The President and the Secretary-General gave interviews to the local press. A report on the role of the Chamber was also broadcasted in the 7.30 pm news on the MBC.

The building of the MCCI was decorated for the event.

- *Gala Dinner*

A Gala Dinner was organized on the 22 January 2010, the exact date of the anniversary of the Chamber, at the Swami Vivekananda International Convention Centre, Pailles. Some 350 guests, including Members, Ministers, Members of the diplomatic corps and high Government officials turned up for the event. The Guests of Honour were the President of the Republic, the Rt. Hon. Sir Anerood Jugnauth, GCSK, KCMG, QC and Lady Jugnauth.

The programme of the evening included the presentation of the 160th Anniversary Logo, the projection of a short film on the history of the Chamber, speeches by the President of the Chamber and a toast to the MCCI by the President of the Republic.

The evening was a remarkable success.

- *Subsequent Events*

The 160th anniversary celebrations are due to continue during the year.

(c) The Image of the Private Sector: '100% Challenge'

With a view to enhancing the image of the private sector, Members will recall that the Chamber took the bold initiative of producing a documentary film, '100% Challenge', to showcase the know-how of local companies as well as their contribution to the economic development of Mauritius. This project came to fruition in 2009. Six episodes of 26 mn each have been produced, broadcasted twice per month on the national TV. The first episode was broadcasted on 21st of April 2009. The last episode, the 'best-of' of 52 minutes was broadcasted in October 2009. All videos can be viewed on the Chamber's website.

The production of '100% Challenge' has indeed been a major achievement of our Chamber.

The Chamber wishes to thank the sponsors which have contributed towards the implementation of the project. The Chamber is working on a 'second season' of the film and has initiated contact with new potential sponsors. Four companies have reiterated their willingness to sponsor the programme.

6. TRAINING

Last year the 'Centre for Business' of the Chamber completed its 25 years active involvement in training. It has been a pioneer in the private sector to offer full-time higher education leading to internationally recognized diplomas and degrees. During the past year it recorded very satisfactory results in its existing training courses. While consolidating its existing activities, the Centre embarked on new promising initiatives.

(a) Existing Academic Programmes

With regards to school leavers, the Centre offers three mainstream specialization areas in the 2-year French Higher National Diploma Courses ("Brevet de Technicien Supérieur" (BTS)) in the fields of Information Technology, Marketing and Management of SMEs. These training programmes result from a collaborative effort between the "Académie de la Réunion" the awarding body, the "Rectorat de la Réunion", the coordinator for of the examinations, and the Lycée Labourdonnais, a pedagogical partner in the project. The courses are organized under the aegis of the French Embassy.

In addition, the CBS offers a Bachelor course in Management and two Master's courses; namely the MAE, i.e. 'Master Administration des Entreprises', which is the equivalent of a Master's degree in Business Administration and the MMI,

i.e. 'Master Sciences du Management, Spécialité Management International', which is the equivalent of a Master's degree in International Marketing.

All three programmes are conducted in collaboration with the University of Poitiers in France.

Furthermore, a diploma course in Accounts and Finance (Diplôme Universitaire en Comptabilité-Finance) is offered since September 2008.

(b) Award of Certificate Ceremony 2009

The award of certificate ceremony for the year 2009 was held in December at the Cyber Tower No1 conference room. The ceremony was meant to reward the successful students in the 2009 BTS examinations and the degree courses i.e. 'Licence' and 'Master'. It is to be highlighted that as far as the BTS are concerned the success rates were 100% in the Management field and 83% on average for the three BTS. Regarding the degree courses, 46 students succeeded in their exams.

(c) New Partnership Agreement

In its drive to enhance both the quality and the range of training offered, our Chamber signed a memorandum of understanding with the famous « ESCE » - 'Ecole Supérieure du Commerce Extérieur'. 'ESCE' ranks first among the business schools in France offering training in International Trade. The mission of 'ESCE' is to prepare young professionals for the international development of businesses through a research-led program emphasizing managerial knowledge and practical skills.

Mr. Jean MEIMON, President of ESCE was in Mauritius in March 2010 to sign the MOU with the Chamber.

This specialised and highly competitive training course will also be open to students from the neighbouring countries, reinforcing the aspirations of the Centre for Business Studies to become a regional centre of excellence in higher learning.

(d) Training for Entrepreneurs

'Using ICT as a Development and Innovation tool for SMEs' is a training programme initiated by our Centre for Business Studies. This project has received the support of the Decentralised Cooperation Programme (DCP) under the aegis of the European Union. It is in line with the general endeavour to equip SMEs with innovative ideas and to promote entrepreneurship. The

training sessions were held at the premises at Ebène from March 2009 to February 2010. 170 participants coming from 110 SMEs took part in the project. They were rewarded during a ceremony held on the 18th of February 2010 in the presence of the Minister of Business, Enterprises and Cooperatives, Honourable M. Gowressoo and the Officials from the European Union and the DCP.

Given the interest expressed by the SMEs in this programme, it is proposed to include it in the portfolio of training programmes offered by the Centre on a regular basis.

7. CORPORATE SOCIAL RESPONSIBILITY

The decision of Government in the July/December 2009 Budget to make it compulsory for companies to devote 2% of their profits to CSR activities has triggered a number of initiatives to assist enterprises to abide to this new requirement.

The Chamber has a track record in the field of implementation of CRS activities, first with the MYET project launched in 1997 and then, the private sector ZEP schools project since 2007. Given this past experience, there has been requests from Members for the Chamber to reposition itself to assist enterprises in discharging their CSR obligations.

(a) Existing CSR Programmes

(i) The MYET Project

The Chamber had set up in July 1997 the Mauritius Young Entrepreneurs Trust (MYET) whose objective was to help young disadvantaged Mauritians to set up an enterprise or develop their existing micro business.

The MYET, which met with success for almost a decade seems to have outlived its usefulness as a number of schemes have recently been set up by Government to support micro enterprises in a much more generous manner. The Trustees were in the process of thinking on the future of the Trust.

The Chamber is of the view that the resources of the Trust can be used to address broader CSR projects as defined by the National CSR Committee.

(ii) The ZEP Schools Project

The Chamber has been entrusted with the management of the MOE/ZEP Project (Zones d'Education Prioritaires) in April 2007. The objective of the ZEP Project is to create favourable learning conditions for children living in deprived areas of the country. Following the success of the programmes, the Chamber has applied and obtained funding to the tune Rd 4.2 million from the 'Decentralized Cooperation Programme' in October 2008 to finance a reading

programme in these schools. The programme will end on 31st March 2010. The MCCI has been working in collaboration with the Ministry and the 'Fondation Espoir et Développement' for the implementation of the programme.

(b) MCCI Foundation

One of the objectives the new CSR obligation is to encourage companies to manage their own CSR programmes or to facilitate the contribution of companies to support the existing Approved National Programmes. However, some companies, particularly those which do not have a structured CSR programme, have expressed the wish to transfer their funds to the Chamber, in which case the Chamber will be entrusted with the responsibility of implementing CSR programmes on their behalf.

In this context, the MCCI has been requested to reflect on a vehicle which can be set up within the Chamber to fulfill this role.

Given its existing commitments under the MYET and ZEP schools project and the request from Members, the Chamber is of the view that it would be appropriate to set up a new vehicle for the delivery of its CSR activities.

To this end, the Chamber is currently working on the setting-up of an 'MCCI Foundation' which is expected to be launched in the coming months.

8. REGIONAL AND INTERNATIONAL BUSINESS DEVELOPMENT

Connecting the local business community to business opportunities in the region and beyond and working proactively with regional and international organizations to promote business rank high on the agenda of the Chamber.

During the past year the chamber devoted a lot of its time and resources to business development beyond the shores of Mauritius.

(a) Working with Business Organizations and International Institutions

(i) Union des Chambres de Commerce et d'Industrie de l'Océan indien (UCCI OI)

Members will recall that the MCCI was elected chair of the UCCI OI during the 4th Forum Economique des Iles de l'Océan indien in Comoros Islands in October 2008. The Chamber is represented by Mr. Marday Venketasamy, Vice-President.

At the Annual General Meeting of the UCCI OI, which was held on the 8th October 2009 in Mayotte; the MCCI was elected as Chair of the organisation for the 2nd consecutive year with the CCI of Seychelles as Vice Chair.

(ii) *Meeting organized by the ‘Conférence Permanente des Chambres de Commerce Africaines et Françaises’ (CPCCAF) in Morocco*

Mr. Marday Venketasamy, Vice President attended the above-named meeting held in Morocco. The UCCIIOI has been admitted as a Member of CPCCAF on this occasion.

(iii) *UCCIAP*

The MCCI is an Executive Member of the Union of African Chambers of Commerce, Industry and Professionals since its inception in Alexandria, Egypt in 2007.

The Chamber has been reelected Member of the Executive Council at its Annual General Meeting held in Sharm El Shek in November 2009.

(iv) *ASCCI*

As an Executive Member of the Association of SADC Chambers of Commerce and Industry, the Chamber participated at the AGM held in Windhoek, Namibia in September 2009.

(v) *World Chambers Federation*

Our Chamber is also a Member of the Executive Committee of the World Chambers Federation, the largest organization of Chambers around the world. It normally holds its Congress every two years and the 6th World Chambers Congress was held from the 3rd to 5th June 2009 in Kuala Lumpur. This largest gathering of Chambers was an opportunity to share best practices and to reflect on the major challenges facing the business community worldwide.

The MCCI was represented by the President, Mr. Kiran Juwaheer and the Secretary-General, Mr. Mahmood Cheeroo.

(vi) *COMESA Business Forum*

The 5th COMESA Business Forum was held in Victoria Falls, Zimbabwe on the 4th and 5th June 2009. The MCCI was represented by Ms. Faeza Ibrahimsah, Manager of the Communications and Promotion Division.

Around 400 delegates attended the Forum, which was officially opened by the Right Honourable Morgan Richard Tsvangirai, Prime Minister of the Republic of Zimbabwe.

(vii) *World Bank Group - PSLO Retreat in Istanbul*

The MCCI which is the liaison Office for MIGA in Mauritius, participated in a Private Sector Liaison Officer (PSLO) Retreat, which was organized in Istanbul by the World Bank Group from the 5 to 9 October 2009. Ms. F. Ibrahimsah attended the Retreat in her capacity as Liaison Officer.

The Retreat was hosted by the Turkish Industry and Business Association (TUSIAD) and was supported by the Agence française de Développement.

(viii) International Trade Centre

The MCCI participated in a regional workshop organized by the 'International Trade Centre' gathering the national Trade Support Institutions (TSIs) from Eastern and Southern Africa, in Nairobi, Kenya from the 24 to 26 June 2009.

The objective of the workshop was to review the national and regional TSIs networking structures and to recommend appropriate measures and mechanisms to reinforce the networks for future cooperation.

The MCCI was represented by Ms. Faeza Ibrahimsah, the Manager of the Communications and Promotion Division.

(ix) 'Indian Ocean Commission' Regional Portal

Members will recall that a Regional Business Information Network has been officially launched at the 4th Forum Economique des Iles de l'Océan indien held in Comoros Islands in October 2008. It is to be recalled that the MCCI has been entrusted with the management of the IOC Regional Portal in 2008. As the Regional Focal Point, the MCCI has conducted a sensitization exercise in Rodrigues, Seychelles and Réunion Island, as follows :

- A meeting was held with the economic operators in Rodrigues in May 2009.
- A meeting was organized in April 2009 with representatives of the Chamber of Commerce of Réunion Island to invite them to join the network.
 - A Memorandum of Understanding was signed between the Seychelles Chamber of Commerce and Industry and the MCCI on 19 June 2009 in Mahé in the context of the official launching of the portal in Seychelles.

(b) Incoming Missions

The Chamber's international reputation was further enhanced during the year 2009 with the visits of several delegations from overseas

(i) Visit of delegation from the 'China Council for the Promotion International Trade (CCPIT) Shanghai'

A delegation from the CCPIT Shanghai met with representatives of the MCCI on the 14th April 2009.

The objective of the meeting was to discuss avenues of cooperation between Mauritius and China. The involvement of the Chamber in the organization of

the participation of Mauritius in the Shanghai Expo 2010 was discussed during the meeting.

(ii) Visit of delegation from Zambia to the Chamber

A high level delegation from the Zambian Ministry of Commerce, Trade and Industry composed of eight members of the Private Sector Development (PSO) Division paid a visit to the Chamber on the 4th March 2009.

(iii) Visit of delegation from Yiwu City

A delegation from the Yiwu City led by the Chief of the Desk for African and Latin American Countries, Mr. Mao Wenjin, visited the Chamber on 12 August 2009.

(iv) Visit of delegation from the Eastern Caribbean Region to the Chamber

In the context of a study tour, a delegation from the Eastern Caribbean Region, led by the Minister of Telecommunications, Science Technology and Industry of St. Vincent and Grenadines, Dr. Jerrol Thompson, met with representatives of the Chamber on the 13th August 2009.

(v) Visit of delegation from Eastern Cape Province

A delegation from the Eastern Cape Province on Finance from South Africa visited the Chamber on 21st October 2009. The delegation, led by Mr. M. Matomela comprised Members of the Provincial Legislature and officials.

(vi) Visit of a delegation of the China-Africa Business Council to the Chamber

A delegation of the China-Africa Business Council, led by Mr. Xei Boyang, the Vice-Chairman paid a visit to the Chamber.

The objective of visit was to provide tools to facilitate the strengthening of ties between China and Africa.

(vii) Delegation from Malawi

A high-level delegation from Malawi visited the Chamber on 12 January 2010.

Members of the delegation comprised representatives of the Ministry of Industry and Trade, and of the office of the President and Cabinet of Malawi

(viii) Delegation from CCPIT Guangdong

A high-level delegation from China Council for the Promotion of International Trade (CCPIT) Guangdong visited the Chamber on 2 February 2010.

The delegation was led by Mr. Si Quingwei, Vice-President, CCPIT Guangdong.

(ix) Visit from Taipei

Mr. Eugene Y. T. Chen, Director of the Taipei Liaison office in the Republic of South Africa visited the Chamber on 10 August 2009.

The objective of his visit was to discuss avenues of cooperation between Mauritius and Taiwan. He was accompanied by Mr. Wei Shiun Wu, First Secretary and Fisheries representative of the Trade Mission of the Republic of China (Taiwan) in Mauritius.

(x) Visit from JETRO

Mr. George Sato, the Director of the Japan External Trade Organisation, Johannesburg met with representatives of the Chamber in January 2010.

(c) Outgoing Missions

(i) 5th Forum Economique des Iles de l'Océan indien, Mayotte

The 5th FEIOI was held in Mayotte from the 6 to 10 October 2009. A fifteen-Member delegation, led by the President of the MCCI, participated at the event. The 5th Forum which attracted around 200 businessmen from the IOC countries and from France, addressed key economic issues pertaining to regional integration, air freight and shipping.

Business meetings were also organized during the Forum. The next edition of the FEIOI will be held in Seychelles in October 2010.

(d) Visits of Dignitaries

The Chamber had the pleasure of welcoming high-ranking personalities during the year 2009.

(i) Visit of the High Commissioner of the Kingdom of Lesotho to the Chamber

H.E Mrs Lineo Lydia Ntoane, High Commissioner of the Kingdom of Lesotho to Mauritius and based in Pretoria, South Africa met with the Secretary-General on the 10th June 2009 at the Chamber.

Discussions centered on the strengthening of trade and economic relations between Mauritius and the Kingdom of Lesotho.

(ii) Visit of the Ambassador of Tunisia to the Chamber

H.E. Dr. Ahmed Mahjoub, Ambassador of Tunisia to the Republic of Mauritius with residence in Pretoria paid a courtesy call on the President and Secretary General on the 14th July 2009.

(iii) *Farewell Visit of the Ambassador of the Republic of Egypt to the Chamber*

H. E. Mr. Bakri Roushdy Elammary paid a farewell visit to the Secretary-General on the 12th August 2009.

(iv) *Courtesy call of the High Commissioner of Singapore*

The Chamber received H. E. R. Jayachandran, High Commissioner of Singapore to Mauritius on the 8 September 2009.

(v) *Courtesy Visit of the High Commissioner of the Republic of Zambia*

H.E. Mrs. Agnes Ngoma, the High Commissioner of the Republic of Zambia to Mauritius met with representatives of the Chamber on the 1st October 2009.

(vi) *Courtesy call by the Ambassador designate of Sultanate of Oman*

H.E. Mr. Khalid Baomar, Ambassador-designate of the Sultanate of Oman paid a courtesy call on the Secretary-General of the MCCI.

(vii) *Visit of H.E. Mr. Shu Zhan to the Chamber*

H. E. Ambassador Mr. Shu Zhan, who works in the Department of African Affairs of the Ministry of Foreign Affairs of China, met with the Secretary-General on the 26 October 2009.

Discussions focused on the relations between China and African countries and on the economic development of Mauritius.

(viii) *Courtesy Call by the Ambassador of the Kingdom of the Netherlands*

H. E. Dr. Ad Koekkoek, Ambassador of the Kingdom of the Netherlands to Mauritius visited the Chamber on the 28th October 2009. He was accompanied by Ms. Monique Korzelius, First Secretary.

(ix) *Visit of Minister Counsellor from the Embassy of Argentina to the Chamber*

Mr. Rolando Pocovi, Minister Counsellor from the Embassy of Argentina paid a courtesy call on the Secretary-General.

(x) *Visit of the Ambassador Designate of Vietnam to Mauritius to the Chamber*

The possibility of strengthening relations between Vietnam and Mauritius was raised during a visit by H.E. Nguyen Duy Thien Ambassador Designate of Vietnam to Mauritius to the MCCI on the 21st December 2009.

(xi) *Visit of H.E. A. Mariani to the Chamber*

H.E. Alessandro Mariani, Ambassador and Head of Delegation of the European Union met with the Secretary-General of the Chamber on Wednesday 27th January 2010.

9. PROSPECTS

The activities of the Chamber have expanded significantly in recent years. And the review for last year illustrated further this continued expansion. Some additions to the portfolio of the Chamber have resulted from well-thought projects to improve the delivery of existing services, as was the case for the BNFS project or the Electronic Certificate of Origin. But many others have been put into place to respond to requests from operators or public authorities. As is the tradition at the Chamber, we do our best to meet the set objectives. To do so we have recruited additional staff and significantly increased our expenditure.

The time has certainly come for us to have a strategic look at our priorities. The last time we did such an exercise was in 2003. The global economic crisis, which has also affected our revenue streams, makes it even more compelling to have an in-depth review of our activities.

The survey which the Chamber has commissioned on its image will certainly help to be more responsive to the expectations of members and other stakeholders while developing activities which reflect its core competencies.

Consolidation of its activities does not, however, mean that the Chamber will shy away from new emerging challenges for the business community and the country. To remain a relevant organization it will have to continue to forge ahead.

Some of these challenges are already confronting us. First, internal governance. The review of the constitution of the Chamber, which is well under way, will have to be completed at the earliest to make it a model of openness, transparency, representativity and inclusiveness.

Second, given its pioneering role in the provision of IT-enabled business services in the area of trade facilitation, it will have to play a key role in the setting up of a seamless and paperless IT infrastructure to support international trade.

Third, as trade negotiations shift more and more to ‘trade in services’, as opposed to ‘trade in goods’ in the past, the Chamber will have to meet the challenge of bringing together the various sub-sectors of the services industry to develop a common mandate for negotiations, which it will have probably to canvass and negotiate on behalf of most of them.

Fourth, as national economic policy orientations become more and more complex in an unpredictable global economic environment, the Chamber will

have to step up its internal economic analysis and forecasting capabilities to meaningfully contribute to the policy dialogue with Government.

Fifth, its training facilities at the Centre of Business Studies at Ebene have witnessed a remarkable growth over the last decade. But it needs new strategic orientations given the new competitive environment which has developed at home and the promises of new sources of growth from outside Mauritius in the new 'Knowledge Hub' policy framework.

Last, but certainly not least, are the challenges associated to the impact of sustainable development policies on the business community. Accompanying enterprises to meet the new requirements in the production, distribution and disposal of products will represent a major task of the Chamber for years ahead.

In an environment characterized by a lot of uncertainties, which do have an impact on the revenue streams of the Chamber, consolidation and rising to new challenges are indeed formidable tasks. But I am confident that our institution has the determination and the resilience to face the future. As it has done so well in the past. And this message has been well illustrated in the motto of our 160th anniversary celebrations: '160 and years to go'.

On a personal note, I took the chairmanship of the Chamber with a mix of excitement and apprehension. At the term of my office, I can say that it was a great experience to preside over the activities of the Chamber. Let me place on record my sincere thanks to my Council Members who were a great support to me, especially Vice President Marday Venketasamy, who chaired the 160th Anniversary Celebrations Sub-Committee and fulfilled our obligations vis à vis regional business organizations, including the Chair of the UCCIOI, Past President Ahmed Parker, who chaired the Sub-Committee on the Constitution, Past President Azim Currimjee who chaired the CBS Board of Governors and the Building Committee, and Mr. Cedric de Spéville, who chaired the Audit Committee. I would also like to thank Past Presidents, Members of the Council and Members of the Chamber, who served on various other committees set up by the Chamber. Our gratitude to all the Members of the Chamber who supported our institution and participated in its activities.

Finally, a special word of thanks to the Secretariat of the Chamber. The Secretary and his staff extended constant professional support, without which we would have not been able to ally quality and sustain our presence in this wide array of achievements.