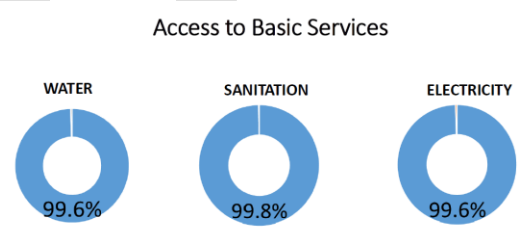
SDG 1: End Poverty in All its Forms Everywhere

MAURITIUS'S APPROACH TO SOCIAL DEVELOPMENT

Mauritius has undergone a complete transformation since Independence. From a primarily agricultural economy, it has transitioned into a well-diversified economy with agro-industry, manufacturing, financial services, tourism, retail, trade and information/communications technology as its main pillars. Ocean economy, renewable energy, professional services, digital/knowledge hub for Africa, regional education hub and medical hub are also emerging strongly as growth sectors, creating more remunerative employment for Mauritians.

In 2017 Mauritius had a gross national income (GNI) per capita of USD 10,130 compared to below USD 200 at Independence. It has the second highest GNI per capita in Africa after Seychelles. Most importantly, Mauritius has eradicated absolute poverty.

Over 99 percent of Mauritians have access to improved water sources, sanitation and electricity and over 92 percent of Mauritians live in their own houses.



Mauritius's economic and social achievements since Independence place it as a high human development country (HDI). It ranked 65th among 189 countries in 2017[1], whereas on the social progress ladder, Mauritius ranked 43rd out of 146[2] countries in 2018. Mauritius has had 38 years uninterrupted growth and its sound economic policies and good governance has enabled it to sustain investments in social programmes with free health care, education, despite having no natural resources.

However, rising income has eroded the competitiveness of some sectors. An aging population is threatening future growth. Structural changes in the economy have impeded growth that is inclusive and equitable, impacting income inequality and increasing demand for high-skilled labour in recent years.

To that end, in 2016 Government unveiled the Marshall Plan Against Poverty, an ambitious, integrated agenda to adapt the Mauritian social protection system to current realities and empower poor families.

Through this Plan, Mauritius is strengthening institutions in partnership with the private sector and civil society in three ways:

[1] Human Development Report 2017
[2] 2018 Social Progress Index

1. A National Corporate Social Responsibility (CSR) Foundation was set up in 2016 and is jointly managed by private and public sectors. The National CSR Foundation allocates CSR funds to NGOs for programs and projects in ten approved priority areas. In 2017/18 the Foundation approved 231 projects from 173 NGOs for a sum of Rs 203.7 million;
2. The National Empowerment Foundation (NEF) implements empowerment programmes and schemes as necessary using a case management approach. The NEF has set up Community Working Groups in Mauritius and Rodrigues to support beneficiaries at grass roots level, increase access to government and other services and coordinate participation of all stakeholders; and
3. MACOSS has regrouped almost all NGOs in the country for more effective coordination and simultaneously launched the Poverty Eradication Network (PEN) in eleven regions, thereby harmonizing and integrating ways and means of addressing poverty to maximize the impact of limited resources.

In addition, a National Economic and Social Council introduced in 2018 and chaired by the Prime Minister meets to address key socio-economic issues and strengthen dialogue with the private sector and civil society.

BRIGHT SPOTS

Social Register of Mauritius (SRM)

Alleviating, if not eradicating poverty is a main priority to ensure we leave no one behind. Mauritius's multi-pronged approach includes the Marshall Plan and Social Contract, the *Social Integration and Empowerment Act* and the Social Register of Mauritius, a featured bright spot. The Social Register of Mauritius developed in partnership with the UNDP and fully-launched in 2016, is a new and fairer methodology for the determination of eligibility to social assistance (both cash and in-kind). Its main aim is to ensure the basic needs of people living in poverty were met to enable them to move out of the poverty trap. It takes into account all incomes received by the household, including pensions and other social benefits as well as the number of persons (adults and children) in the household. To date there are 9,000 families registered on the SRM benefitting from a monthly income support (Subsistence Allowance) which is a conditional cash transfer along with other empowerment initiatives including targeted assistance to individuals in need such as persons with disabilities, hardship cases, elderly, abandonment, and sudden loss of employment. By 2018 Mauritius has ensured that there are no persons living in conditions of absolute poverty in the country.

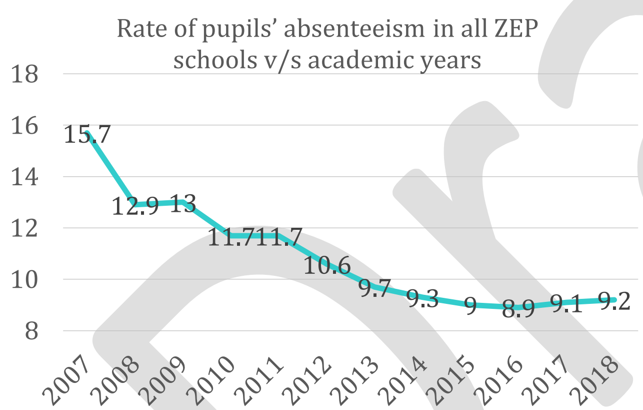
ZEP Project (Zone D'Education Prioritaire)

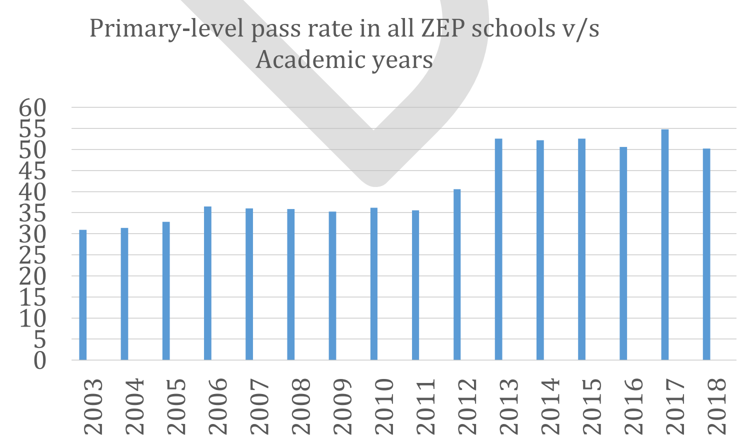
Free education from pre-primary through to tertiary public institutions is a hallmark platform in Mauritius. Various schemes for children from disadvantaged backgrounds have been implemented, and one of these longstanding bright spots is the ZEP Project.

Since 2003 the ZEP Project has been combating poverty through education, providing equal opportunities to all primary school children and mobilizing all the resources within the Zone to contribute in raising the standard of achievement of the school. The project is delivered in partnership with teachers, parents, community-based associations, NGOs and the private sector. It places the child at the centre of all school activities, promotes a sense of belonging among parents for the children's schools, shares good practices across the education system.

Rotary Club of Port-Louis Breakfast Project at *La Briqueterie Government School*

Photo courtesy: Rotary Club of Port-Louis





The ZEP Project has had a positive impact on academic and non-academic performance: absenteeism has declined and pass-rates have risen.

This initiative has been so successful that in 2015 Government launched the ZEP II initiative to re-design high poverty schools so that they have the capacity to tenaciously confront poverty-related barriers to teaching and learning and enable the academic success of all students. ZEP II means to create high performing high poverty schools.

Social Housing Policy

Poverty is exacerbated by inadequate and poor housing conditions. In 2017 Government set out a 3-year plan to invest Rs 6.8 billion towards construction of social and low-income housing units, improve living conditions in social housing developments, relocate squatters affected by infrastructure development and severe landslides, set up two homes for low-income elderly residents and to support middle class families in home ownership and home improvement. This investment is critical as 10,000 housing units are planned for construction whereas 19,000 families are currently on a waiting list for decent housing.

The Social Housing policy facilitates access to social housing for the different and evolving needs of both present and future generations. Social housing initiatives take into account needs of elderly persons and persons with disabilities to live independently, strengthen social and cultural integration through recreational facilities within social housing developments and create mixed housing development schemes to help inclusion and equality among low income groups. Various housing schemes including credit facilities are provided at concessionary rates, and in each instance, recipients must contribute a set amount (25% up to 80%) towards the scheme. Grants also are provided for casting roof slabs and purchasing building materials. Since 1991, over 13,687 families have benefitted from social housing schemes.

Employability: The Minimum Wage

In 2017 Government introduced the negative income tax where employees deriving less than Rs 9,900 per month received financial support. In 2018 Government introduced the National Minimum Wage (NMW). 150,000 full time employees receiving less than Rs 9,000 per month receive a top-up allowance to reach the Rs 9,000 threshold as long as both the employer and the employee have made the required contributions to the National Pensions Fund and National Savings Fund.

In early 2019 a National Minimum Wage Impact Assessment Report of implementation of the NMW was delivered to the National Wage Consultative Council. The report was based on information and data from Statistics Mauritius, the Mauritius Revenue Authority and other institutions and takes into consideration the impact of NMW on economic growth, wealth and income distribution, wage ratio, employment and compliance. The report shows that the rate of employment has increased from 545,100 workers in 2017 to 546,500 workers in 2015 (an increase of 1,400 jobs). Contributions to the National Pension Fund have increased from 290,368 in December 2017 to 313,778 as of June 2018. There has been an increase in the evolution of salary distribution and a decrease in income inequality. The rate of non-compliance is 10.9% and this is much lower than the average 30% in other countries around the world where NMW has been introduced. While the NMW has had a positive impact on the standard of living for low-income families and the overall economic growth of the country, it has magnified existing challenges within the manufacturing sector.

FUTURE CHALLENGES AND OPPORTUNITIES

Challenges	Opportunities
1. Monitoring, Evaluation and Implementation of the Marshall Plan	• There is a strong need to ensure efficient and effective monitoring of the progress made by beneficiaries and empower them to exit the system as soon as they are able. Effective coordination across the public, private and civil society sectors is essential, and working in close collaboration with beneficiaries and NGOs already active within communities is a strong way forward. • It also will be important to progressively phase out social programmes and have them replaced by the Marshall Plan and Social Contract. The income threshold used to determine eligibility to be part of the SRM will be reviewed annually and in light of recent measures such as the Negative Income Tax and National Minimum Wage so that beneficiaries whoa re able to exit the system and move on to an enhanced quality of life are able to do so as quickly as possible.
2. Sustaining Inclusive Growth	• Although the number of beneficiaries in relative poverty reduced from 19.6 percent in 2012 to 16.4 percent in 2017, the number of beneficiaries increased by 12.8 during the same time period. This mainly is due to a rapidly aging population. • In this context it is increasingly important to manage public sector debt such that it adopts a firm declining path into the medium term. This will involve bold choices in line with the Vision 2030 New Development Model anchored in shared prosperity and enhanced quality of life.