

Country Development Cooperation Policy for the Republic of Mauritius

September 2023

1 Purpose of Development Cooperation

Mauritius is a politically stable country with an established parliamentary democracy, having always achieved changes of government through elections since the independence in 1968. The country also plays a central role in the region hosting the Secretariats of the Indian Ocean Rim Association (IORA) and the Indian Ocean Commission (IOC). Located on the maritime route between the Indian Ocean and Africa, and with its vast exclusive economic zone, Mauritius is an important geopolitical partner in the realisation of Japan's vision of 'Free and Open Indo-Pacific (FOIP)'.

While Mauritius has achieved economic growth, particularly in the tourism and financial sectors, as a small island state, it is vulnerable to external factors such as global economic trends, climate change, cyclones, natural disasters and infectious diseases. Challenges remain in areas of strengthening capacity for addressing climate change and managing disaster risk reduction.

In addition, as the global positioning of the Indian Ocean region and the importance of the blue economy grows, the Government of Mauritius aims to become an investment hub for Africa. To achieve more sustainable and inclusive quality growth in the future, it is necessary to strengthen governance in areas such as trade and investment environment, maritime safety, control against illegal operations and drug control.

Mauritius is an important partner of Japan in the international arena. As it aims to become an investment base for Africa in the future, it is important to develop relations with Mauritius as an economic partner by promoting investment by Japanese companies in Mauritius. Supporting Mauritius in its effort to achieve the Sustainable Development Goals (SDGs), as it faces challenges as a small island state, is also a demonstration of solidarity for "human security" in the new era. Japan's cooperation to Mauritius will contribute to the regional stability and promotion of the economy in the Southwest Indian Ocean region, thus further contributing to the realization of the FOIP which has a profound diplomatic significance for Japan.

2 Basic Policy of Japanese Official Development Assistance : Supporting sustainable development and economic growth overcoming vulnerabilities

Although Mauritius has a high level of GNI per capita, the country faces economic vulnerabilities that are affected by external factors such as climate change and natural disasters as well as global economic trends. Japan's cooperation will support Mauritius to overcome these vulnerabilities as a small island state while strengthening its

governance, achieving sustainable economic growth and further socioeconomic development. The cooperation will be implemented in line with the SDGs.

3 Priority Areas

(1) Environment, Climate Change and Disaster Risk Reduction

As Mauritius aims for further economic development, the next challenge is to consider environmental costs to support sustainable development and economic growth. In particular, as a small island state with limited land and water resources, and with tourism as its main industry, cooperation will be provided to Mauritius to conserve its invaluable coastal ecosystems and to continue to secure resources in a sustainable manner.

Mauritius's geographical characteristics make it vulnerable to the effects of natural disasters and climate change, such as cyclones and floods caused by sudden heavy rains, and the establishment of a disaster risk reduction system to minimize damage is an urgent issue. In light of this situation, Japan will support Mauritius's adaptation and mitigation efforts against climate change, and to develop disaster risk reduction systems and related human resources to cope with slope disasters and floods caused by frequent heavy rains. In addition, support will not only be provided to countermeasure natural disasters, but also in strengthening capacities to respond to maritime incidents.

(2) Maritime Security

As Mauritius has a vast exclusive economic zone, maritime security is fundamental to sound economic activities. To strengthen maritime security measures (e.g., control of IUU fishing, illegal drug trafficking, etc.), support will be provided to strengthen the capacities of the coast guard, police, and judiciary.

(3) Strengthening Capacity for Sustainable Economic Growth

Considering the position of Mauritius in the Indian Ocean region, Japan will also support in the fiscal area including debt management, for a sustainable macroeconomic management enhancing quality and sustainable economic growth. In addition, cooperation in the field of Kaizen will be implemented with a view to improving the competitiveness and quality growth of enterprises, as well as for wider dissemination of competencies from Mauritius to neighbouring countries.

4 Points to be considered

(1) Through assistance to Mauritius, efforts will be made to disseminate the results of cooperation to the wider Indian Ocean and the Southern African region, while taking into consideration the benefits to neighbouring island countries, such as Madagascar,

Comoros and Seychelles, facing similar challenges.

(2) Aiming to improve connectivity between the African continent and Indian Ocean countries, support will be provided to improve the investment climate for Japanese companies that aim to expand into Africa.

(3) In view of the importance of development of marine economy in Mauritius, cooperation for sustainable development and management of marine resources will also be considered.

(4) In order to improve development effectiveness and expand investment opportunities, cooperation will be enhanced in the areas of Digital Transformation (DX) and Green Transformation (GX), such as digitalization and utilization of ICT.

(5) From the perspective of strategic management of the ODA budget, consideration will be given to formulate projects that could achieve a high overall development impact by combining projects with different schemes and methods.

Annex: Rolling Plan