

Keynote Address

By

Hon. Soomilduth Bholah

**Minister of Industrial Development, SMEs and
Cooperatives**

Consultative Workshop

On

***“Accelerating the Transition to a Net-Zero Nature-Positive
Economy in Mauritius” (NZNPA) Project”***

Thursday 16 November 2023

at

10.00 hours

**Hennessy Park Hotel
Ebene**

Ms. Lisa Singh, Resident Coordinator for Mauritius and Seychelles, The United Nations Resident Coordinator's Office

Mr. Vassoo Putchay, Permanent Secretary of the Industrial Development Division of my Ministry

Mr. Julien Lheureux, Task Manager for Africa, Eastern Europe & Central Asia, United Nations Environment Programme Office, Kenya

Heads of Business Associations

Captains of the Industry

Representatives of Parastatal Bodies and NGOs

Members of the Press

Distinguished Guests

Ladies and Gentlemen

Good Morning!

I am pleased to be in your midst today on the occasion of the Opening Ceremony of the first Consultative Workshop on the Project entitled **“Accelerating the Transition to a Net-Zero Nature-Positive Economy in Mauritius (NZNPA)**, organised by my Ministry in collaboration with the Global Environment Facility (GEF) and the United Nations Environment Programme (UNEP).

At the very outset, I wish to thank the Global Environment Facility for supporting financially this important project which aims at bringing a

transformational shift of the manufacturing sector in Mauritius towards a Carbon Neutral and Sustainable Industry.

I am also grateful to UNEP for providing necessary technical assistance for execution of the first phase of the project, which involves drafting of a Project Document to define the modalities for its implementation over the next four years.

I seize this opportunity to extend a warm welcome to Mr. Julien Lheureux of UNEP, who is among us today, and who has been very helpful in securing GEF funding for realisation of this project.

I understand that the project is now in a full implementation mode with Dr. Prakash Deenaparay providing his services as international expert and Dr. Zumar Bundhoo, acting as local consultant. I am informed that some preliminary consultations have already started with relevant Ministries and private sector organisations and this workshop is another step to sensitise stakeholders and engage their cooperation for successful implementation of the NZNPA project.

Ladies and Gentlemen

As you are aware, the manufacturing sector is an important pillar contributing significantly to economic development of the country. More than **85,000** people are employed in manufacturing activities and the sector's share to Gross Value Addition stood at **13.6%** in **2022**.

Last year, a record-breaking Gross Manufacturing Output of **Rs 167 billion** was generated coupled with an all-time high domestic export of **Rs 52.2 billion**.

I must say that this remarkable achievement has been possible due to the relentless efforts of our industry captains who have capitalised on cutting-edge

technology, smart production processes, intelligent human resources, creativity and design, and sound environmental practices to excel in their respective field of activities.

Ladies and Gentlemen

You would concur that, as at now, much awareness has been created on the necessity for our industry operators to adopt eco-friendly business solutions to meet growing exigencies of buyers and thus maintain their market share. In this vein, I wish to highlight that our major export manufacturing enterprises have already adopted cleaner production methods through investment in green technologies such as photovoltaic solar panels to reduce their carbon footprints.

It is also worth mentioning that, in the Textile and Clothing sector, some flagship enterprises are adhering to requirements of international organisations, such as the Sustainable Apparel Coalition, Cotton Made in Africa and Better Cotton Initiative, which altogether promote sustainability in planting, growing and harvesting of cotton in Africa.

I must say that this bold engagement on part of our enterprises, to protect and preserve our living environment, has been an overriding factor in attracting a new generation of customers who are willing to pay premium prices for eco-friendly products.

Ladies and Gentlemen

Allow me to emphasise that the promotion of green manufacturing is high on Government agenda. Indeed, the Government Programme for 2020-2024 clearly outlines the intervention areas for sustainable development, namely: investing in

clean energy; shifting to a cleaner and greener Mauritius; mitigating risks from climate change; and protecting our marine resources.

In this context, let me briefly highlight some actions that have been initiated to speed up the eco-transformation of the Mauritian economy. These relate to:

- Setting up of the Mauritius Renewable Energy Agency to steer investment in renewable energy projects to diversify the energy mix and reduce dependence on fossil fuels;
- Implementation of the Carbon Neutral Industrial Policy to ensure carbon neutrality by 2030, through setting up of on-site and off-site Photovoltaic installations;
- Availability of loan facilities at concessionary rates at Industrial Finance Corporation of Mauritius Ltd; Development Bank of Mauritius Ltd; and particularly at Commercial Banks under the SUNREF Programme of Agence Française de Développement, for investment in green technologies;
- Establishment of Central Electricity Board (CEB) Green Energy Ltd and DBM Energy Ltd, as ‘institutional promoters’ to invest in solar energy technologies for electricity generation; and
- Provision of 50% waiver on the increased in electricity prices for the next 2 years for industrial customers moving towards 100% renewable energy.

As you may have noted, Government is fully committed to accelerate the transition phase to a cleaner and greener Mauritius through multiple initiatives that we have embarked upon. From a general perspective, we are on the right track to achieve the targets set to reduce GHG emissions by **40%** and generate at least **60%** of our energy needs from green sources by **2030**. These milestones

are in line with our commitments to the United Nations Sustainable Development Goals.

Ladies and Gentlemen

At the level of my Ministry, let me emphasise that we are at the forefront to encourage enterprises adopt the sustainable pathway as part of their business strategies to ensure long-term competitiveness. In the recent past, we implemented an Industrial Waste Assessment Project under the PAGE initiative of UNIDO, whereby a sizeable group of enterprises benefitted from capacity building in an endeavour to promote industrial symbiosis. We are also an active player in all Government projects having a bearing on sustainable manufacturing operations.

At this moment, I am pleased to apprise that my Ministry will soon launch an Energy Audit Scheme, as announced in Budget 2023-2024, whereby large energy consumers in the manufacturing sector will benefit from 75% grant to cover expenses related to energy audits. In fact, this is a preamble to the NZNPA Project on which you will be brainstorming today, as it has a major component focusing on energy efficiency management to support enterprises in bringing down production costs.

Ladies and Gentlemen

I would like to reiterate that the greening of the industrial sector constitutes a core determinant to achieve economic competitiveness and sustainable growth. Additionally, our industry operators are fully conscious that Mauritius being a resource-constrained country, they should strive to develop more value-added products using minimal resources to counter balance the effect of rising

commodity prices. In this endeavor, increased investment in clean and energy-efficient technologies, ethical procurement of raw materials and adoption of circularity practices could be the decisive forces to maintain the attractiveness of Mauritius as a competitive and reliable sourcing destination,

I, therefore, seize this occasion to urge all our manufacturing enterprises to integrate as many sustainable practices as possible in their business models to ensure a brighter future. I know that this is not an easy task, but I wish to comfort everyone that Government is on your side and we will extend all our support as you move along on this green transformation journey.

Ladies and Gentlemen

May I now refer to the NZNPA Project which represents an important catalytical initiative to bring about the next bound of sustainability in the industrial sector. Indeed, this project aims at mainstreaming carbon neutrality in the manufacturing sector through adoption of strategic measures to accelerate uptake of clean and renewable sources of energy as well as promote material and energy efficiency at enterprise level. On the whole, the project is geared towards integrating nature-positive actions to ensure that there are no adverse externalities to biodiversity and ecosystem in Mauritius.

It is to be highlighted that the main components of the project include the conduct of energy and material audits, and more importantly, the setting up of a funding mechanism to implement recommendations of the audits.

Ladies and Gentlemen,

Today's workshop is therefore of utmost importance as it serves as a consultative platform to gather valuable inputs and proposals for the drafting of a comprehensive Project Document, which will detail out the implementation

modalities of the project. I am informed that there will be dedicated working sessions whereby participants will have the opportunity to brainstorm on key proposals to accelerate the shift towards sustainable manufacturing. The pertinent ideas emerging from today's deliberations will form part of the NZNPA Project Document which be submitted to GEF Council in June 2024 for final approval.

I acknowledge that we are embarking on a lengthy process but we have to abide to the requirements of the Global Environment Facility which is the funding agency. On this note, I make an appeal to everyone to collaborate fully so as to make this consultative process a fruitful and productive exercise. You will agree that we can progress only if we have a shared vision and take collective actions towards our objective for a Carbon Neutral and Sustainable Industry.

With these few words, I have now the pleasure to declare today's workshop open.

Thank you for your kind attention.

S.B