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I. Situation analysis

1. Mauritius has since its independence pursued a liberal and open economic policy, focusing on growth and employment while maintaining an elaborate social welfare system, which has led to a resilient economy with high growth and a diversified economic structure. Mauritius is an upper middle-income country with a gross national income per capita of \$7,750 and a human development index ranking of 0.728 (77th out of 187 countries, and second in Sub-Saharan Africa). As a result of its policy of economic diversification – from the traditional sectors of tourism, textiles and sugar to new areas such as information and communication technologies and financial services – as well as swift response to the recent global economic crisis and recurring food and fuel price disturbances, Mauritius has been able to attain an average real gross domestic product growth of 4.5 per cent during the period 2007-2011, though the unemployment rate rose from 7.2 per cent in 2008 to 7.9 per cent in 2011.

2. Notwithstanding the significant progress that Mauritius has made with respect to such Millennium Development Goals as education, gender equality in education, adult literacy, infant mortality, safe drinking water and improved sanitation, the country has to deal with several major challenges. These include residual but structural poverty (7.9 per cent, using the national poverty line) and notable inequality (a Gini coefficient of 0.38 in 2005-2006); gender disparities across a range of social and economic issues – low membership in parliament (18 per cent), gender-based violence (1,952 cases out of a total of 2,215 domestic violence cases in 2010), and higher levels of female unemployment (13 per cent in 2011, against 4.7 per cent for men); a reversal in maternal mortality, increasing since 2007; and spatial disparities, with efforts required to further develop Rodrigues and bring it to the same level as Mauritius. Mauritius faces development challenges typical of middle-income small island developing states: environmental vulnerability and exposure to natural disasters, coastal zone erosion, endangered species, reduction in forest coverage, decrease in fish stocks, and water shortages.

3. Several issues are prominent on the development agenda, such as sustaining growth and promoting social inclusion; securing environmental sustainability; and retaining the flexibility, through product and market diversification and prudent macroeconomic management, to cope successfully with the crises of major trading partners – while dealing with decreasing Official Development Assistance. The national response to these issues is held back by the lack of long-term national and some sector strategies, limited accountability in public service delivery, and the absence of an effective public performance mechanism. Furthermore, policy formulation and the implementation of poverty reduction strategies are hampered by the lack of proper eligibility assessment mechanisms for social programmes, leading to substantial but ineffective social spending with large errors of both exclusion and inclusion, inadequate tools and capacity to measure and manage programme performance, and a lack of capacity in public institutions and among non-state actors to develop initiatives that address poverty and exclusion. Finally, achieving environmental sustainability while addressing climate change issues and effectively managing the protection and conservation of natural resources will remain central development goals.

4. Mauritius intends to tackle these issues through its sustainable development strategy, ‘Maurice Ile Durable’, piloted by the Prime Minister. Thus, over and above purely physical or economic development plans, the Government is embarked on the preparation of a policy and action plan that will be ready for presentation at Rio+20. This overarching plan, built around the five pillars of ‘Maurice Ile Durable’, – education, equity, employment, environment, and energy – will provide sustainable development plans for all ministries.

II. Past cooperation and lessons learned

5. The main areas of focus of the past programme were public sector reform, inclusive growth, environmental protection and climate change. UNDP has supported the Government in implementing full-fledged programme-based budgeting, which has

shifted the budgeting process from an input-based annual activity to a performance-based 3-year exercise. Its implementation and impact on the transparency and performance orientation of the budget have received positive international evaluations from the International Monetary Fund and the collaborative Africa budget reform initiative. The UNDP outcome evaluation highlighted that the reform appropriately targeted priorities such as capacity-building, and contributed to tangible progress in public service delivery, as evidenced in the Accountant-General's annual report: the percentage of detainees with HIV/AIDS provided with anti-retroviral treatments increased from 15 per cent in 2009 to 100 per cent in 2011. Despite such achievements, the evaluation identified several areas where improvements are needed, including further integration of planning and budgeting functions to ensure linkages between policy priorities and resource allocations; improving the reliability of performance indicators; developing gender-sensitive indicators; further capacity-building on programme-based budgeting in line ministries; and strengthening accountability mechanisms. The evaluation recommended a focus for the next country programme on long-term planning and accountability with respect to programme-based budgeting performance.

6. On the social front, UNDP provided assistance for the technical design of a social register of Mauritius and a proxy means test to improve the targeting efficiency and harmonization of the many social programmes (which account for about 4.4 per cent of gross domestic product). The project was institutionalized through a government decision to implement the new housing and crèche schemes announced in the 2012 budget. Gender equality was a major focus of work and yielded significant outcomes. UNDP supported the implementation of gender-responsive budgeting in eight ministries as well as the development of a national action plan to end gender-based violence and, in 2008, the formulation of a national gender policy framework. Capacity-building of 'gender cells' in sectoral ministries to formulate effective strategies for integrating gender issues remains to be carried out in implementing the framework.

7. The outcome evaluation for the ongoing environment programme concluded that strategic results were achieved through UNDP interventions such as the formulation of policies and legislation as well as institutional development: the 'Maurice Ile Durable green paper', the energy efficiency act, and the creation of a climate change division in the Ministry of Environment and Sustainable Development. In the energy sector, UNDP supported the preparation of the 'grid code', which led to the achievement of a milestone in the national long-term energy strategy: 0.5 per cent on-grid photovoltaic energy. UNDP will further increase the implementation of renewable-energy projects. UNDP contributed to institutional strengthening for energy efficiency and the establishment of an energy efficiency management office. The office is expected to be functional soon, following recruitment of technical staff. Cost-sharing agreements reached with partners have allowed UNDP to have a greater impact in projects such as the marine protected area project, where excellent collaboration was achieved with the Rodrigues Regional Assembly whereby the Rodrigues south-east marine protected area regulations were passed and a management plan developed. UNDP advocacy led to targeting women's groups for capacity-building exercises; for example, 400 fisherwomen were empowered to move to more sustainable livelihoods in Rodrigues.

8. Despite ample progress, specialist areas such as climate change suffer from a lack of local and regional expertise. Capacity constraints at the Ministry of Environment and Sustainable Development resulted in a poor response to climate change projects when the national implementation modality was applied, hindering project implementation. Finally, there are significant skills gaps among government staff in conceptualizing and designing projects and programmes and monitoring and evaluating their implementation. Two related lessons emerge from the environmental outcome evaluation: capacity assessment exercises should be conducted on all projects against the outcome targets; and government staff should be employed in project positions to facilitate capacity-building.

UNDP recognizes that these are the types of ‘next generation’ issues that will be an increasing focus of its work as Mauritius graduates to net contributor country status.

III. Proposed programme

9. The 2013-2016 country programme has been developed in consultation with the Government and development partners in accordance with the United Nations common framework of assistance put together by the country team for Mauritius so as to converge towards a ‘delivering as one’ programme and prepare the country for net contributor country status. While the country has achieved good scores in international measures of business environment and governance, the Government has requested UNDP support to improve its human development index ranking, enabling it eventually to graduate to the ‘very high human development’ level. The 2013-2016 programme will be based upon three pillars, focused on the quality of growth and human development and utilizing a limited number of triggers that can have major multiplier effects across a broad spectrum of critical development issues – improving the outcomes of public expenditure, expanding opportunities and institutional channels for social inclusion, and facilitating prudent management of natural resources and timely adaptation to climate change.

Pillar 1. Planning and resource management for inclusive growth

10. Programme-based budgeting reform has been identified as a cross cutting priority for the entire common framework of assistance, with country team members supporting line ministries and UNDP playing a central role. Building on the progress achieved so far through programme-based budgeting, UNDP will support government efforts to strengthen the integration of the planning, budgeting and execution framework to improve public-sector efficiency and achieve inclusive growth. UNDP intervention will focus on three specific areas. First, UNDP will contribute to long-term planning both at the ministerial level, with a focus on social protection and gender, and at the national level, through support to the formulation of a national development plan that improves the strategic allocation of public resources, leading to a higher human development index ranking. Second, UNDP will seek to increase internal and external accountability in programme-based budgeting implementation and public service delivery. Third, to improve the effectiveness and efficiency of social spending, UNDP will provide technical assistance to replace, by 2016, the current assessment mechanisms for social programmes with a tool that better targets the most vulnerable and addresses gender disparities.

Pillar 2. Social inclusion and empowerment

11. UNDP will assist the Government in its objective of exploring shortfalls in development to achieve a more inclusive society, as well as improving the ranking of Mauritius on the human development and gender inequality indexes (63rd globally on the latter, with 0.353). Emphasis will be laid on the living standards dimension of the human development index, and on the empowerment and labour market dimensions of the gender inequality index. Cooperation will focus on the Ministry of Social Integration and Economic Empowerment, which was created in 2010 to address poverty and exclusion, and the National Empowerment Foundation, operating under that Ministry, which implements programmes designed to alleviate poverty and empower vulnerable people. Since the success of Foundation programmes at the field level depends largely on the intervention of non-state actors, UNDP will support a capacity development strategy enabling public institutions and non-state actors to contribute directly to reducing poverty and exclusion; empowering citizens to increase their public participation with a view to achieving greater transparency and feedback on public services and tackling discriminatory practices; increasing the proportion of women working in the mainstream economy and supporting the political empowerment of women; fostering pro-poor and inclusive education in order to reduce inequalities in opportunities; and promoting literacy in information technology among vulnerable sections of society to increase women’s employability and entrepreneurship. To improve performance and effectiveness, UNDP is assisting with the establishment of a monitoring and evaluation system at the National Empowerment Foundation.

Pillar 3. Energy and the environment

12. Support to the development of a ‘green’ economy that ensures decent work, social inclusion and gender equality will be the organizing principle, building on work already started on adaptation to climate change. It will promote climate change mitigation and adaptation in accordance with the multilateral environmental and global commitments to which Mauritius has subscribed, as well as the plan elaborated for ‘Maurice Ile Durable’ and the outcomes of Rio+20.

13. There will be three main areas of focus. First, UNDP will continue to support the Government with advice on the design and implementation of ‘green’, low-emission and climate-resilient policies that integrate gender and rights-based approaches. Second, skills will be developed at the institutional level to design and manage more complex, technically demanding projects and programmes and to monitor and evaluate their implementation. Third, UNDP will pursue a diversified portfolio of work on the sustainable management of natural resources particularly relevant to a small island developing state, incorporating the promotion of sustainable livelihoods and decent work for vulnerable groups such as fishermen, who are threatened by coastal erosion and extreme weather events. This effort will address the conservation of biodiversity, management of marine and coastal resources, sustainable land management, integrated water resources management and waste management.

IV. Programme management, monitoring and evaluation

14. UNDP activities will be implemented through the national implementation modality, including a cost-based management fee and the provision of implementation support services. UNDP will undertake evaluations in accordance with the evaluation plan and national implementation modality audits. National execution will not exclude use of the expertise and experience of specialized United Nations organizations, international consultants, or South-South and North-South cooperation, as appropriate. UNDP will ensure that project monitoring and evaluation systems are in place and aligned with the results framework and the programme-based budgeting of the Government. Regular programme steering committee meetings will be held with coordinating ministries. Capacity-building for government staff to design projects and monitor their implementation will be integrated into programme management.

15. To achieve the planned results and especially in view of the impending net contributor country status of Mauritius, UNDP is reviewing its office structure, skills and business processes with headquarters support. In consultation with the Government, it will emphasize an innovative partnership strategy for the creation of a South-South platform through which Mauritius can make a qualitative leap towards becoming a hub for exchanging and promoting experiences and best practices with other countries in the region and worldwide. Discussions with local development partners and the private sector have revealed substantive interest in the United Nations ‘delivering as one’. In that regard, UNDP will be able to bring into play significant assets that can raise the profile and performance of the entire United Nations system in Mauritius. These include its convening capacity as an external but close partner with line ministries and a neutral facilitator of collaboration between Government, civil society and the private sector, able to catalyse the multi-stakeholder mobilization needed for sector-wide reforms; and the physical presence of UNDP in the country, which is a major advantage for a country team composed mainly of non-resident organizations. Moreover, the creation of multi-organization-funded focal points in the United Nations Resident Coordinator’s Office will expand the United Nations presence on the ground and strengthen the capacity of the country office in required sectors such as gender equality, ‘green economy’, and regional and local-level planning for the island of Rodrigues.

Annex. Results and resources framework for Mauritius, 2013-2016

National priority or goal: Strengthen institutional capabilities for the accountable, equitable and effective use of public resources.					
UNDAF/country programme outcome: Improved capacity of government agencies in strategic planning, programme-based budgeting and effective public service delivery. Outcome indicator: Number of ministries improving public service delivery as shown in annual report on performance in outcomes achieved and outputs delivered. Related strategic plan focus area: Democratic governance.					
Government partner contribution	Other partner contributions	UNDP contribution	Indicators, baselines and targets for UNDP contributions	Indicative programme outputs	Indicative resources by outcome
Provision of an overall framework for formulation of national development programme: MFED. Recruitment of analysts for Planning and Implementation Units: Line Ministries and Rodrigues Regional Assembly. Procurement of IT services for the budget automation project: MFED. Provision of performance audit and budget analysis: NAO, National Assembly. Training of staff for SRM implementation: (Ministry of Social Security).	Revision of PFM legislation (IMF/AFRITAC South). Public expenditure and financial accountability assessment and monitoring (IMF and European Union). Long-term planning in specific sectors, including tertiary education and ICT (World Bank). Long-term planning in environment and public infrastructure (Agence française de développement).	Analysis of capacity constraints, policy options and costing methodologies in selected ministries. Preparation of guidelines and templates for formulation of national development programme. Provision of tools and training to line ministries to improve formulation and documentation of PBB indicators. Training and guidance on establishing institutional frameworks for PBB internal and external accountability. Development of assessment mechanisms for social assistance schemes.	Indicators: (a) Gender-responsive long-term sector strategies designed and under implementation; (b) a long-term development planning framework in place; (c) percentage of ministries connected to an on-line PBB performance monitoring system; (d) percentage of social assistance schemes implemented through a new assessment mechanism. Baselines: (a) Lack of gender-sensitive long-term sector plans evaluating human resources and capital needs; (b) lack of a long-term integrated plan to support PBB formulation; (c) no on-line PBB performance monitoring system; (d) new schemes on social housing and crèches implemented through SRM. Targets: (a) Long-term sector strategies designed in at least 3 sectors, including social protection and gender; (b) 10-year national development plan published by August 2014; (c) 100% of ministries connected to on-line PBB performance monitoring system; (d) new assessment mechanism applied to all social programmes by 2016.	(a) Long-term sector plans and Rodrigues SIDPR designed, linking outputs to resources consistent with macro-fiscal framework; (b) Technical preparation completed for a national development plan that links PBB allocations to gender equitable long-term strategic goals. (c) PBB on-line performance monitoring system operational across all ministries; (d) new assessment mechanism applied to all social programmes.	Regular: 950,000 Other: Government cost-sharing 400,000
National priority/goal: Promote and support inclusive growth to ensure equitable access to public goods and services as well as economic opportunities for the poor and vulnerable.					
Country programme/UNDAF outcome: Capacity of public sector, Non-state actors and vulnerable groups strengthened to promote a coordinated approach in policy formulation and implementation for a more equitable, inclusive society. Outcome indicator: Progress on MDG indicators for poverty reduction, gender equality and women's empowerment, and improving the quality of education. Related strategic plan focus area: Poverty reduction and social inclusion.					
Recruitment of personnel to staff the monitoring and evaluation unit at NEF (MSIEE).	Non-state actors: through participation based projects. Private sector: establishment of a	Methodologies and tools for M&E system applied to pro-poor programmes. Formulation and rollout of a skills development	Indicators: (a) A functional M&E system at MSIEE to assess performance of social programmes; (b) No. of non-state actors applying new models of service delivery. Baselines: (a) Inadequate tools and capacity	(a) Targeting, delivery and monitoring arrangements of MSIEE social programmes operational; (b) New models of service delivery by non-	Regular: 543,000 Other:

Budget and recruitment of staff for NEF programmes (MSIEE). Implementation of capacity-building programmes for NGOs (Ministry of Social Security, National Solidarity and Reform Institutions).	corporate social responsibility fund with civil society as delivery mechanism. UNCT: technical support and funding. Other development partners (European Union, World Bank, AfDB): expertise and funding for specific programmes.	strategy for public staff and non-state actors that targets planning and design of programmes to fight inequality and social exclusion. Capacity-building of non-state actors in results-based management and specific services.	to measure and manage programme performance; (b) limited capacity in public institutions and non-state actors to innovate programmatically. Targets: (a) M&E system operational by 2014; (b) 200 non-state actors equipped with new models of service delivery by 2014 and effectively contributing to a 10% reduction in poverty rate by 2016; 60,000 citizens trained through the Universal ICT Education Programme by 2016; and 40,000 men, women and youth sensitized on GBV and family issues by 2016.	state actors (such as women's empowerment, placement and training and community development) successfully tested.	Government cost-sharing (to be determined).
National priority/goal: To promote sustainable development and address climate change impact in the Republic of Mauritius through the 'Maurice Ile Durable' Programme.					
Country programme/UNDAF outcome: Achieving environmental sustainability while addressing climate change and ensuring more effective environmental protection and conservation of natural resources. Related strategic plan focus area: Environment and sustainable development. Outcome indicator: Percentage of terrestrial and marine areas under conservation; energy intensity of growth per unit of gross domestic product; percentage of renewable energy on the national grid.					
Implementation of the MID strategy (Prime Minister's Office with the collaboration of the Ministry of Environment and Sustainable Development and other ministries). Climate change mitigation and use of renewable energy (Ministry of Energy and Public Utilities). Sustainable management and conservation measures (Ministry of Agro-Industry). Sustainable development in Rodrigues (RRA).	The Agence française de développement and the Japan International Cooperation Agency will contribute to the MID climate change programmes. In addition, the Agence provides 'green loan' facilities to the private sector. The European Union is engaged in further support to the MID programme through general budget support to the Government, as well through regional institutions such as the Indian Ocean Commission.	UNDP will contribute analysis, technical advice and access to global experiences for the formulation and implementation of 'green', climate resilient policies and strategies; adopt approaches to climate change adaptation and mitigation that integrate gender issues and disaster risk management; reduce capacity constraints through a multi-year capacity development strategy that helps meet performance benchmarks in key ministries; and coordinate donors and United Nations organizations.	Indicators: (a) Sustainable management of specific surface area of land and seascape important for biodiversity and ecosystem services; (b) number of coastal sites rehabilitated or protected (c) progress in meeting the milestones of the energy action plan; (d) number of endangered species protected in the wild. Baselines: (a) Forested areas decreased by 9.9% over past 2 decades; (b) about 25 sites identified by MESD as under threat from coastal erosion; (c) energy action plan approved (2011); (g) 18 endangered species. Targets: (a) At least 150 sq km of biodiversity- rich terrestrial areas under protection by 2016; (b) at least 3 significant sites rehabilitated/ protected by 2016; (c) 10 megawatt photovoltaic plant operational by 2016; (d) number of endangered-species creatures maintained at current level or reduced by 2016	The Mauritius national biodiversity strategy and action plan becomes anchored in national development and budgeting frameworks and fully integrates new aspects of the CBD strategic plan (such as valuing ecosystem goods and services and incorporating challenges and opportunities linked to ecosystem-based adaptation and resilience). Coastal protection works completed at 3 major sites to strengthen vulnerable physical natural and social assets in response to climate change. Sustainable livelihood concept incorporated into the biodiversity portfolio.	Regular: 200,000 Other: 21,800,000

Abbreviations used in annex table

AFD: Agence française de développement

AfDB: African Development bank

AFRITAC: Africa Regional Technical Assistance Centre

CBD: Convention on Biological Diversity

GBV: Gender-based violence

IMF: International Monetary Fund

IT: Information technology

ICT: Information and communications technology

M&E: Monitoring and evaluation

MESD: Ministry of Environment and Sustainable Development

MFED: Ministry of Finance and Economic Development

MID: 'Maurice Ile Durable'

MSIEE: Ministry of Social Integration and Economic Empowerment

NAO: National Audit Office

NEF: National Empowerment Foundation

NSA: Non-state actor

PFM: Public financial management

PBB: Programme-based budgeting

RRA: Rodrigues Regional Assembly

SRM: Social register of Mauritius