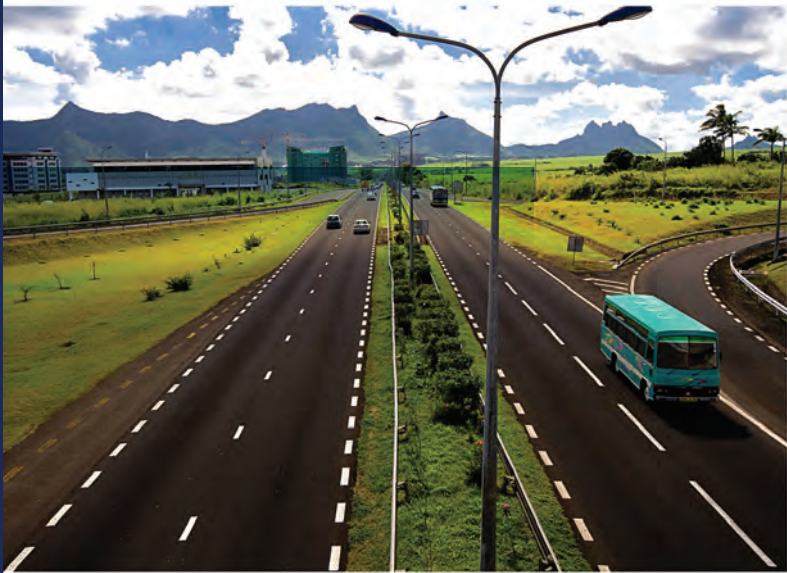


CORPORATE PLAN
2011
2012
2013

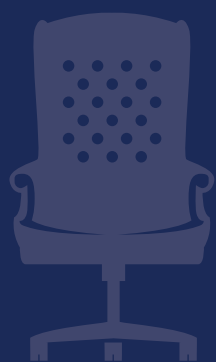
Challenging the Future

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Message from
the Vice-Prime
Minister and
Minister of Finance
& Economic
Development

International trade has always emphasised the notion that 'no man is an island', i.e. no country can function alone and achieve economic advancement. Inter-dependence among nations has been and remains the unavoidable norm on the path to economic progress. Globalisation, on its part, has accentuated this inter-dependence in a more particular manner: any important economic nation, caught suddenly in the web of globalised financial disillusion, will send shock waves that can rock several nations far and wide across the world. We have witnessed how the sub-prime property crisis which originated in the USA went on to rock Europe and provoked the global recession, which did not even spare our country.

“A new global economic landscape is in the making. We must position ourselves to seize the opportunities that will enable us diversify from our traditional markets and expand into non-euro based markets.”



Hardly a couple of years later, the Mauritian economy is once again facing external shocks, provoked this time, by the Euro zone crisis. In the wake of colossal stimulus packages to address the financial crisis, many European countries have accumulated severe budget deficits as a result of which the Euro started weakening against the dollar and by extension against our rupee as well. These countries have now unleashed a wave of austerity measures across Europe. These austerity measures shall dampen economic activity, leading automatically to a falling demand for our exports and lower tourist arrivals. Such a scenario would make matters worse as already export receipts, billed in the falling Euro, are shrinking whilst payments for our imports of raw materials and other necessities, billed in US dollars, are rising.

There is an urgency for Mauritius to respond, once again. I believe, this time, we must rethink our marketing strategies. It is paramount that we reduce our dependence on a single market, namely Europe, which is our main buyer for our exports and the main supplier for our tourism industry. This Euro crisis is accompanied by a rebalancing of the global economy with a shift in economic emphasis from the western and European block (economies beset by high deficits, heavy debts and sluggish growth) towards Asia led by China, India and Russia (countries with surpluses and high economic growth). Here lies the enormous opportunities that our exporters and the tourism industry must not fail to seize in order to diversify our markets. A new global economic landscape is in the making. We must position ourselves to seize the opportunities that will enable us diversify from our traditional markets and expand into non-euro based markets. We must change the euro-centric course of our development and adapt to the new economic forces that are giving a new shape to the world economy.

Our policy response to face the Euro crisis must be sufficiently pro-active in character to enable both our traditional and emerging sectors to be in gear, to seize the enormous opportunities from the coming global economic rebalancing. It rests on the imperative need for long-term restructuring of our industries and enterprises as we build the new economy that can be resilient to recurring external shocks. This long term restructuring will have to focus on (a) diversifying our exports into non-euro zone markets by tapping into the emerging Asian markets and (b) restructuring businesses' operations and finances so that they cease to focus on short term profits as a first step towards building resilience to external shocks.

I am confident that Mauritius has the ability to respond to the present challenges and adapt its policies and strategies so as not to miss the new opportunities coming along its way. There is a high probability that during the economic restructuring which will take place in the coming years, revenue collection may suffer. I am sure the MRA has taken this factor into consideration in elaborating its strategies for the coming three years in its Corporate Plan 2011-13. These are the times when the MRA has to ensure that there are the least leakages from the total collectible amount of taxes and duties and that maximum arrears, for instance, are accounted for whilst stepping up efforts to widen the tax net by identifying potential taxpayers from the informal as well as the new and emerging sectors of the economy.

There are difficult times ahead. There are challenges. But there are also opportunities to do better and shine. The MRA has always stood up to the challenges. I take the opportunity here to thank the Director-General, the Management and the staff of the MRA for the good work done and I am confident that the Organisation will continue in this direction during the difficult years ahead. I am equally confident that the MRA Board will continue to guide the Management to make the MRA an efficient, effective and, above all, a taxpayer-friendly Organisation.

Hon Pravin Kumar Jugnauth
Vice-Prime Minister and Minister of Finance
& Economic Development



Chairperson's Foreword

When the Mauritius Revenue Authority was set up four years ago, its vision was to develop into a World Class Revenue Authority to be known and respected for values that are central to revenue organisations namely integrity, fairness, transparency, accountability, efficiency, responsiveness and professionalism.

“ ... reform and modernisation of processes, infusion of new technology, increasing professionalism and maintaining continuous efforts to raise the standard of service offered shall retain pride of place in this second Corporate Plan 2011-13. ”



Today as we negotiate our fifth year of operation, media reports, public views from opinion surveys and even comments from visiting foreign delegations converge to acknowledge that the Mauritius Revenue Authority has succeeded in instilling the much anticipated change in the fabric, culture and style of tax administration that both Government and stakeholders were hoping with the setting up of the MRA. The members of the MRA Board are proud to share with the Management Team the satisfaction from successive years of concerted efforts to steer the organisation towards attainment of its mission within the spirit of the core values that it upholds.

A reminder of our attachment to such values as transparency and accountability is effectively the publication of our first Corporate Plan in 2008, when it was not yet mandatory for statutory bodies to publish their strategic plan. We have always believed that our taxpayers and stakeholders are an integral part of our unit and that it is important that we continually communicate to them what we plan to do in the next coming years and what are the initiatives we shall undertake to achieve our objectives.

I am positively convinced that our first Corporate Plan did serve as a window to our taxpayers and other stakeholders for them to oversee and follow the course of actions and initiatives planned for in pursuit of the objectives chosen to meet their expectations for an efficient service of high standard. Conscious of the significant impact that our actions can have on our customers, we make it our duty to select and propose initiatives and actions that are as customer friendly as possible.

I wish to reassure our taxpayers and stakeholders that further reform and modernisation of processes, infusion of new technology, increasing professionalism and maintaining continuous efforts to raise the standard of service offered shall retain pride of place in this second Corporate Plan 2011-13.

At the MRA, we are aware that the next coming years shall be very challenging to our economy owing to the major external shocks caused by the Euro crisis. The Government is gearing up to take the required measures to facilitate the country and our businesses to not only adjust to, but also take full advantages of the New World Economy which is opening up in Asia so as to achieve the much needed diversification from the Euro-zone markets.

I am confident that the MRA shall provide excellent support to Government through the coming difficult years covered by the second Corporate Plan whilst providing an efficient and effective service to meet the expectations of its customers – the taxpaying public, trade and business communities.

I take the opportunity, on behalf of the MRA Board to express our gratitude to the Director-General, Management Team and the staff for their dedication and commitment to work which have contributed to earn the Organisation the respect which it enjoys already. I am confident that the good work will continue, as demonstrated so effectively, through the pages of the second MRA Corporate Plan 2011-13.

A handwritten signature in dark ink, appearing to read 'Vasdev Hassamal'. The signature is fluid and cursive.

Vasdev Hassamal
Chairperson



Preface from the **Director-General**

The Mauritius Revenue Authority (MRA) which was launched on 01 July 2006, has just embarked on its fifth year of operation. In 2008, after two years at the service of taxpayers and the business community, it was deemed necessary to publish our first Corporate Plan in order to reflect on whether our initial goals and strategies were still appropriate. But more importantly, the MRA considered it a duty to communicate to its stakeholders, the strategic objectives it had set for the coming three years and the initiatives that it intended to take to realise those objectives.

“... improving taxpayer services shall remain central in everything we do. The reader shall find in this Plan a number of new strategic initiatives as well as challenging performance-monitoring indicators that reflect a solid, dynamic and forward looking organisation which places taxpayers’ satisfaction high up on its agenda.”



On reaching the term of the first MRA's Corporate Plan, it is now fitting to review the initiatives and actions that were proposed and taken in order to assess to what extent the targets that were set were appropriate, realistic and achievable. It is also an opportunity for Management to examine the reasons or causes for any deviations or shortfalls from set targets and to identify corrective measures to bring redress. I can say, however, that in general, the Organisation was steered towards the objectives outlined in the MRA's Corporate Plan 2008-10 namely:

- ▶ consolidating the foundation base of the new organisation;
- ▶ reforming and modernising tax administration;
- ▶ enhancing corporate image and;
- ▶ optimising revenue collection.

During the first Corporate Plan, the foundation laid down in the first year of the MRA was consolidated through the successful realisation of a number of reform and modernisation initiatives contained in the Plan:

- ▶ e-filing facilities for individual taxpayers;
- ▶ Operating 90 e-filing service centres;
- ▶ Corporate taxpayers effecting e-payment increased from 1,182 to 3,493;
- ▶ e-filing and e-payment of excise declaration;
- ▶ Launching tax stamps on cigarettes to counter smuggling;
- ▶ Disposing off 84% of Tax refund in 90 days;
- ▶ MRA Intranet System;
- ▶ Management Information System;
- ▶ KPI-based monitoring of work performance;
- ▶ Taxpayer mailing service;
- ▶ Introducing a new and open interactive Performance Appraisal System for employees;
- ▶ Human Resource Management System for online leave application and approval (a paperless MID initiative);
- ▶ Opening a new Centralised Customer Service Centre with electronic dashboard for queue management;
- ▶ Infrastructure improvement with the New Customs House project; and
- ▶ Replacing MRA's Tax legacy Information Systems by ITAS which is an SAP Integrated Tax Revenue Management solution.

On the revenue collection front, the MRA registered significant success during each year of the Plan period. For the year 2007/08, revenue collection amounting to Rs 42.1 billion was 23.5% higher than collection during the preceding year and 10% higher than the Budgeted Estimates of Rs 38.2 billion. In 2008/09, revenue collection totalled Rs 47.2 billion, representing an increase of 12.1% over the preceding year, and an excess of 5% over the Budgeted projections. During the period July 09 to December 09, revenue collection exceeded projection by 7% and for the period January 2010 to July 2010, collection is 7% higher than the corresponding period of 2009 and 3% higher than projections for this period.

Besides revenue optimisation, reform and modernisation, improving the public's perception around tax administration was high on the agenda of the MRA. The realisation of various initiatives provided in the first Plan has successfully increased the level of transparency of operations across all tax departments. The dispensing of ethics-awareness training sessions has

contributed to increased adherence to the Code of Ethics and promotion of an integrity culture amongst employees. Positive media reports and the good rating of stakeholders in an opinion survey conducted by the Internal Affairs Division tend to confirm that the MRA has succeeded in changing the erstwhile negative public opinion that tax functions occupied in recent past.

As regards service delivery, the MRA has continually aimed at providing high standard services commensurate to the expectations of the modern taxpayer and in line with its stated vision of becoming a World Class Authority. In this endeavour, the MRA has taken every effort to create a sophisticated technology-based operating framework surrounded and supported by highly motivated and trained personnel.

Although the organisation may be credited with a good amount of achievements on the operational front since its launch, it does not intend to dwell on its laurels. The MRA is conscious of its key role in supporting the Government's tax objectives and the importance of choosing the most appropriate strategies and initiatives to address the future needs of both the Government and the taxpayers.

This second Corporate Plan covering the next three calendar years shall be executed in a different and challenging economic outlook. The country has hardly recuperated from the Global recession that it has been hit by the Euro crisis. Economic growth has been revised downward from 4.6% to 4.1%. Export proceeds are projected to shrink whilst import bills shall rise, thereby worsening the current account deficit. The Government's stated policy of implementing the duty free island project in a phased manner as from 2011 as well as the exemption of interest income from taxation shall impact on tax collections so that meeting the Budgeted targets in coming years may become a more arduous task than it was during the first Plan.

What should be the MRA's strategic approach in the face of coming economic uncertainties? Taking the economic context into consideration, the strategic objectives of the MRA for 2011-13 are:

- ▶ Promoting voluntary compliance;
- ▶ Providing quality services;
- ▶ Developing people, processes and technology;
- ▶ Facilitating trade and ensuring border and society protection; and
- ▶ Strengthening Good Governance and improving Corporate Image.


One of the earlier strategic objectives, namely, 'optimising revenue collection' has been subsumed in 'Promoting voluntary compliance' which better describes MRA's primary function and is in line with global trends. Two earlier objectives namely 'effective Management Information System' and 'developing Human Resources' now fall under a single strategic objective of 'Developing people, processes and technology'. 'Strengthening Good Governance and improving Corporate Image' is considered more appropriate than the earlier 'Enhancing Corporate Image' and 'Trade Facilitation' has been enlarged to encompass 'border and society protection' as more emphasis will be placed in the coming years on border security and society protection in view of increasing threat of terrorism to the global supply chain.

We may have re-casted our objectives but I wish to reassure taxpayers and stakeholders in general that improving taxpayer services shall remain central in everything we do. The reader shall find in this Plan a number of new strategic initiatives as well as challenging performance-monitoring indicators that reflect a solid, dynamic and forward looking organisation which places taxpayers' satisfaction high up on its agenda.

I wish to again reiterate, here, my request for any suggestion and comment that readers may formulate. I promise to consider them in earnest as I believe that the taxpayers and stakeholders form an integral part of MRA and should we not meet their expectations, then we would not be fulfilling our mission or the objectives laid down in this Plan. But this cannot be. At the MRA, the taxpayers and stakeholders come first and shall remain first as we commit ourselves to provide them with services of high standards which they require and rightfully deserve.



Sudhamo Lal
Director-General



Preparing for a
sound beginning

Board Members

Standing from left to right: Jagnaden Padiaty Coopamah, J. M. Louis Rivalland, Mrs Aisha C. Timol (GOSK)
Sitting from left to right: Dheeren Kumar Dabee (SC), Patrick Yip Wang Wing, Vasdev Hassamal, Sudhamo Lal

Management Team

Standing from left to right: S. Sonah, M.M. Hannelas, M. Muneesamy, V.K. Ramnundun, Mrs S.D. Moorooogen, D. Ramdin,
T. Moorghen, Mrs S.D. Dindoyal, S. Lal (DG), Mrs C. Gunnoo, M. Mosafeer, S.J. Mendes, Dr P. Seth



1. An Overview

The Mauritius Revenue Authority (MRA) was launched on 01 July 2006 as a body corporate responsible for managing an effective and efficient revenue-raising system. It administers and collects taxes due in Mauritius within an integrated organisational structure. It collects 13 different types of taxes/duties/levies which account for around 90% of total tax revenues for the Government. The MRA is managed and administered by a Board comprising of seven members, while the overall responsibility is vested with the Ministry of Finance and Economic Development.

As a statutory body, intent upon putting in place best international practices in tax administration, MRA launched its first Corporate Plan for the three-year period 2008-2010. The second Corporate Plan is now being submitted for the three-year period 2011-13 with a view to firming up its mid term strategy at a time when the Mauritian economy is facing the aftermath of global economic and financial crisis.

A Corporate Plan has basically two main objectives. Firstly, it serves as an organisation's strategic framework for action during a stipulated period of time in the future. Secondly, it acts as a roadmap towards the fulfillment of the organisation's strategic objectives. In preparing MRA's second Corporate Plan, we have ensured that it:

- ▶ encapsulates all the major tasks and activities being carried out at the MRA;
- ▶ includes a series of new proposals/projects that can be undertaken over the next three years to improve the efficiency and effectiveness of the organisation;
- ▶ contains indicators that are measurable so that progress achieved in fulfillment of the tasks/activities/projects can be monitored against the targets/benchmarks set in each fiscal year; and
- ▶ takes into consideration global trends in tax administration by including some of the strategic initiatives and key performance indicators existing in prominent tax jurisdictions across the world.

The core of this second Corporate Plan revolves around five major strategic objectives or goals, namely:

- ▶ Goal 1 - Promoting voluntary compliance
- ▶ Goal 2 - Providing quality services
- ▶ Goal 3 - Developing people, processes & technology
- ▶ Goal 4 - Facilitating trade and ensuring border and society protection
- ▶ Goal 5 - Strengthening Good Governance and Improving Corporate Image

These five strategic objectives proposed for MRA are much broader than the ones contained in the first Corporate Plan and their attainment will require the fulfilment of a series of existing and new strategic initiatives or projects. The KPI matrix for the MRA which is set out at the end of this Corporate Plan includes 220 monitoring indicators of which 59% are new in the sense that they were not part of the 2008-10 Corporate Plan. The targets set for each KPI will be used to assess progress against the Plan on a yearly basis.

The strategic objectives, initiatives, key performance indicators and targets set out in this second Corporate Plan are well-defined, achievable and challenging. They reflect a solid, dynamic and forward thinking organisation striving for excellence in tax administration. MRA is confident that by the end of 2013 it will be in a position to achieve most of the objectives set out in this Plan.

1.1 MRA's Vision, Mission & Core Values

Our vision, mission and core values guide all our efforts and strategies:

Vision

To be a world class Revenue Authority respected for its professionalism, efficiency, fairness, integrity and its contribution to our economic and social development.

Mission

To continually reform and modernise Revenue Administration in order to manage and operate an effective and efficient Revenue organisation comprising of highly motivated and skilled staff.

Core Values

Integrity

MRA upholds the highest standards of integrity and honesty so as to gain the respect and confidence of taxpayers, stakeholders and the public at large.

Responsiveness

MRA endeavours to provide a prompt, efficient, effective and quality service to taxpayers, stakeholders and the public at large in an effort to exceed their expectations.

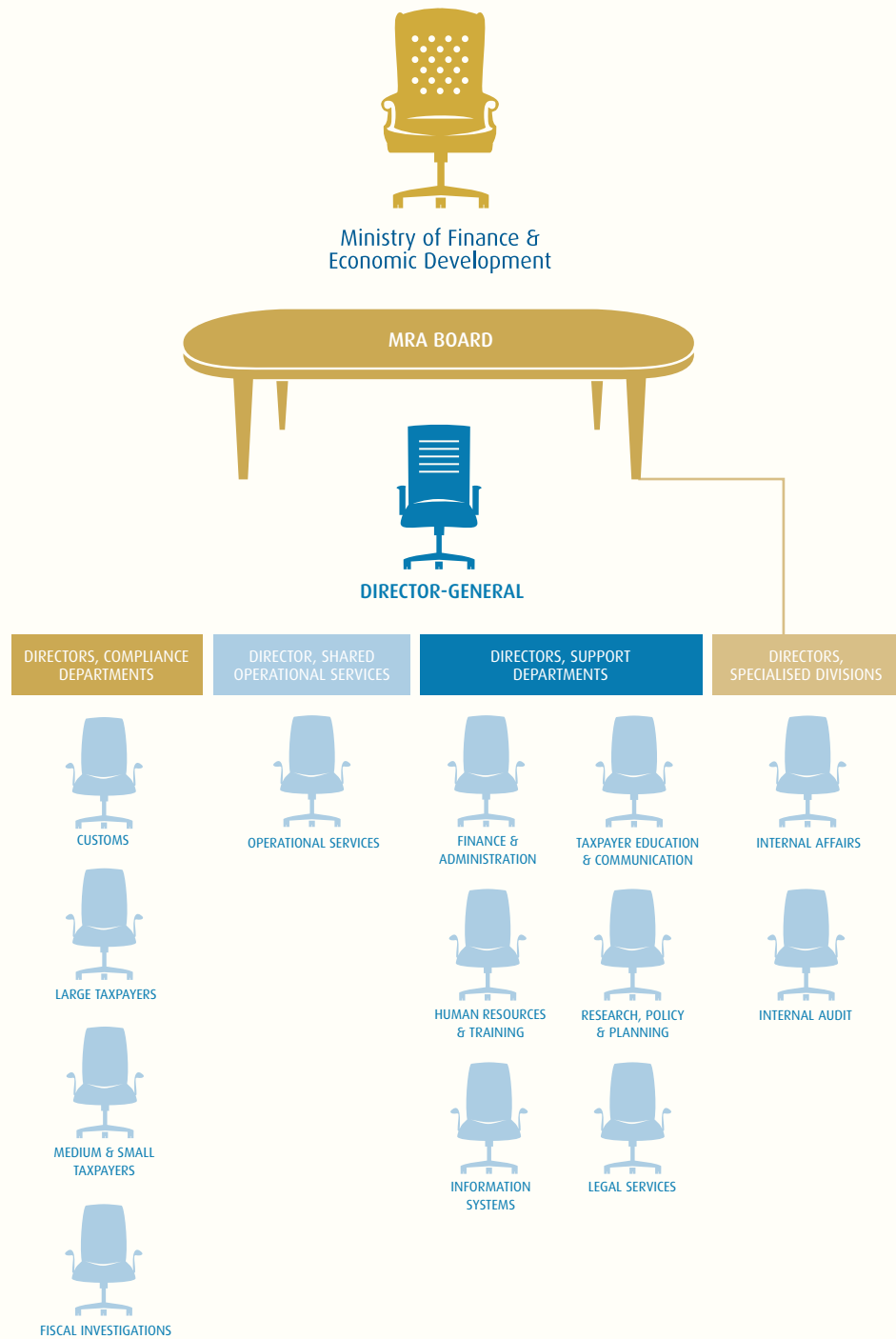
Fairness

MRA is committed to apply revenue laws impartially and objectively and treat everyone in an equitable manner.

Transparency and Accountability

MRA efforts are geared towards the development of the Authority in a manner which promotes a transparent and accountable administration.

1.2 Organisational Structure



The MRA is under the overall monitoring and supervision of the Ministry of Finance & Economic Development (MOFED). Amongst other things, MOFED sets the fiscal policy to be administered by MRA, specifies the revenue targets to be achieved under each revenue item and approves the expenditure budgets of the MRA.

The MRA Board administers and manages the Authority in accordance with the MRA Act. It comprises of seven members including the Chairperson, the Director-General, a representative of the Ministry of Finance & Economic Development and four other persons with adequate experience in accountancy, economics, taxation, law or business administration. The powers and duties of the Board include the setting up of Departments and Sections/Units, recruitment and selection of officers on fixed term contracts and setting their terms and conditions of employment.

The MRA Management Team comprises of the Director-General and the heads of 13 other Departments/Divisions set up by the MRA Board under Section 6 of the MRA Act. Its role is to ensure that MRA fulfils its strategy and objectives. The major responsibilities of the Management Team members are as under:

Table 1: MRA Management Team

	Responsibilities
Director-General	<ul style="list-style-type: none"> ▶ Chief Executive Officer of the Authority ▶ Implementing the policy of the Authority ▶ Complying with Board decisions & directions given to him ▶ Leading the organisation in attaining its overall objectives.
Director Customs	<ul style="list-style-type: none"> ▶ Managing the administration of Customs & Excise duties ▶ Collecting VAT at importation ▶ Ensuring trade facilitation and border protection
Director Large Taxpayers	<ul style="list-style-type: none"> ▶ Managing the administration of: <ul style="list-style-type: none"> • Corporate Tax; • Value Added Tax; and • PAYE in respect of large taxpayers
Director Medium & Small Taxpayers	<ul style="list-style-type: none"> ▶ Managing the administration of: <ul style="list-style-type: none"> • Personal Income tax; • Corporate Tax; • Value Added Tax; • Gaming Taxes; and • PAYE in respect of small & medium taxpayers
Director Fiscal Investigations	<ul style="list-style-type: none"> ▶ Conducting investigations into potential tax evasion cases ▶ Tackling tax evasion in informal sector ▶ Gathering fiscal intelligence information for audit purposes
Director Operational Services	<ul style="list-style-type: none"> ▶ Monitoring key shared services namely: <ul style="list-style-type: none"> • Registration; • Service Delivery; • Processing & e-filing; and • Debt Management
Director Finance & Administration	<ul style="list-style-type: none"> ▶ Managing the revenue collections ▶ Recording & monitoring MRA's expenditure ▶ Preparing MRA's budget ▶ Preparing MRA's financial statements ▶ Providing administrative support
Director Human Resources & Training	<ul style="list-style-type: none"> ▶ Formulating & Implementing best-practice human resource management & development policies which include: <ul style="list-style-type: none"> • Employee Resourcing & Retention • Staff Development & Learning • Employee Relations & Conflict Management • Health & Safety and welfare • Human Resource Management
Director Information Systems	<ul style="list-style-type: none"> ▶ Implementing MRA's Information Systems Strategy
Director Taxpayer, Education & Communication	<ul style="list-style-type: none"> ▶ Promoting taxpayers' education ▶ Providing taxpayers with information & assistance for tax purposes ▶ Liaising with the media to implement communication strategy
Director Research, Policy & Planning	<ul style="list-style-type: none"> ▶ Overseeing MRA's Research, Policy & Planning activities ▶ Providing quality management information to Board, Management Team & other stakeholders
Director Internal Affairs	<ul style="list-style-type: none"> ▶ Managing integrity within the MRA ▶ Improving staff integrity ▶ Enhancing public perception of MRA's integrity
Director Internal Audit	<ul style="list-style-type: none"> ▶ Providing independent assurance on controls, processes, procedures & systems ▶ Ensuring risk management & governance
Director Legal Services	<ul style="list-style-type: none"> ▶ Providing general legal assistance to Board & Management Team ▶ Reviewing the tax laws and vetting proposals for amendments

2. Macroeconomic Outlook

Mauritius has, of late been facing a highly volatile external environment, first with the financial crisis precipitated by the sub-prime property scandal in the USA and now with the Euro crisis. Ever since the eruption of the Euro crisis, our companies have been facing the twin problems of a depreciating Euro that is reducing their exports receipts and an appreciating US Dollar which is increasing the cost of imports of raw materials.

Many European Governments which have resorted to large amount of borrowings to finance stimulus packages are facing high public debt levels reaching up to 115% of their GDP and budgetary deficit exceeding 11% of GDP. Consequently, Greece, Portugal, Italy, Spain and UK have taken austerity measures to slash their deficits and other European countries are expected to follow suit in the coming years. Various analysts now expect that these austerity policies in the Euro zone will impact negatively on economic growth in these countries. The end result might be a fall in demand for our exports and a reduction in tourist arrivals.

The crisis has led the Central Statistics Office (CSO) to reduce real GDP forecast for 2010 from 4.6% to 4.1%. Latest projections made by the Ministry of Finance and Economic Development indicate that real GDP growth may even be lower, within the range of 3.5 to 4 %. The projected economic growth rate has been made on the basis of the following assumptions:

- a. good performance in the financial industry, construction, domestic oriented industries and emerging sectors;
- b. foreign direct investment exceeding Rs 10 billion;
- c. unemployment rate rising from 7.3% in 2009 to 7.5% in 2010; and
- d. downward pressure on the inflation rate as a direct consequence of a depreciation of the euro and the pound.

Against the backdrop of the Euro crisis, there is evidence of an economic rebalancing in favour of the BRIC countries (Brazil, Russia, India and China). Economic activities are expected to move from countries facing macroeconomic imbalances (burgeoning budgetary deficit, high debt, sluggish growth) to BRIC and emerging countries where there is high growth and economic transformation. The challenge for Mauritius is to take advantage of the opportunities in the BRIC countries to increase exports and tourism earnings whilst riding through the Euro crisis to mitigate any potential fall in export receipts and employment.

In August 2010, the Vice-Prime Minister, Minister of Finance and Economic Development announced a series of measures to address the major issues facing the Mauritian economy in the "Facing the Euro Crisis & Restructuring for Long Term Resilience". The document highlights Government's policy response to the Euro crisis and the global economic rebalancing through seven main pillars namely industry and enterprise restructuring, de-leveraging, supporting the creation of new financing instruments, fast re-skilling and re-employment of retrenched workers, accelerating public infrastructure, protecting consumers and modernising regulations to improve competitiveness. The package presented includes around 100 policy measures and its major thrust is to support our enterprises and industries to **"hold out the current crisis and, more importantly, to deal with the causes of their vulnerability"**.

Revenue collections will depend to a large extent on the macro-economic performance. At the level of MRA, there is concern about the impact of poor economic conditions primarily on VAT and corporate tax collections. These two taken together account for 62% of total MRA revenues. Significant reduction in economic growth, triggered by a declining trend in consumption expenditure, in particular tourism expenditure, will adversely affect VAT receipts. Similarly, weak domestic and external conditions which impact on the profitability of companies will in turn reduce collections from corporate tax.

No doubt, economic growth and tax collections are inextricably linked together and a likely scenario of uncertain economic growth will obviously impact on revenue collections. In these circumstances, a tax administration needs to adopt pro-active measures to sustain buoyancy in revenue collection to minimise the negative impact of global financial crisis on revenue collection. MRA as the main agent of the Government responsible for revenue collection is gearing itself to meet this challenge. It is aimed to be met successfully through improvement in taxpayer services and trade facilitation on the one hand and ensuring more compliance through additional enforcement measures on the other. The idea is to facilitate the trading and business sector with lesser and simpler processes and procedures and helping compliant and law abiding taxpayers in fulfilling their tax obligations so that they are incentivized to do more business resulting in higher incomes and enhanced tax revenues. Concurrently, there needs to be improved techniques and measures for coping with non-compliant taxpayers having a natural tendency to evade taxes. This would certainly require improvement in human capital and technology so that enforcement of tax laws is, by and large, effected with the least inconvenience to trade and businesses as well as the taxpaying public. Also, success in this endeavour requires better integrity and ethical values combined with better systems and procedures. All these objectives figure prominently in our Corporate Plan which highlights their relevance in the present macro-economic context. The realisation of the strategic objectives and initiatives proposed in the Corporate Plan shall go a long way in enabling MRA to meet the current challenges and support the Government in its socio-economic endeavours.



Around Rs 230 billion of investment in public infrastructure is envisaged during the next 10 years

3. Review Of MRA's Corporate Plan 2008-2010

This chapter gives a brief analysis of the first Corporate Plan (2008-2010) in terms of the following strategic objectives contained therein:

- ▶ optimise revenue collections;
- ▶ improve taxpayer services;
- ▶ facilitate trade;
- ▶ implement an effective management information system;
- ▶ enhance corporate image; and
- ▶ develop human resources.

3.1 Optimise Revenue Collections

Our aim is to achieve or even exceed the set revenue targets laid down by the Ministry of Finance & Economic Development (MOFED) by promoting voluntary compliance through taxpayer education and facilitation and taking effective enforcement action. An analysis of achievements in terms of Key Performance Indicators (KPIs) reveals the following:

Table 2: Revenue collection:
An assessment

KPIs	Targets	Achievements
Actual Revenue Collections	2007/08: Rs 38.2bn 2008/09: Rs 45.02bn July-Dec09: Rs 23.37bn	2007/08: Rs 42.1bn 2008/09: Rs 47.2bn July-Dec09: Rs 25.04bn
Amount of tax assessed	2007/08: LTD Rs 400m MSTD Rs 700m 2008/09: LTD Rs 450m MSTD Rs 800m July-Dec09: LTD Rs 300m MSTD Rs 400m	2007/08: LTD Rs 877m MSTD Rs 1,092m 2008/09: LTD Rs 765m MSTD Rs 929m July-Dec09: LTD Rs 385m MSTD Rs 571m
No. of fiscal investigations completed	2007/08: 80 2008/09: 85 July-Dec09: 30	2007/08: 123 2008/09: 98 July-Dec09: 33
Demand created per fiscal investigation	2007/08: Rs 1.6m 2008/09: Rs 1.7m July-Dec09: Rs 1.7m	2007/08: Rs 1.2m 2008/09: Rs 1.7m July-Dec09: Rs 1.7m
No. of CORs raised	2007/08: 400 2008/09: 300 July-Dec09: 150	2007/08: 595 2008/09: 576 July-Dec09: 228
No. of Post-Clearance Control Audits in Customs	2007/08: 65 2008/09: 80 July-Dec09: 40	2007/08: 71 2008/09: 85 July-Dec09: 46

3.2 Improve taxpayer services

Our aim is to deliver an efficient, effective and professional service to the public. To achieve this objective, we have engaged in a number of activities relating to taxpayers' education, service delivery, communication and obtaining taxpayers' feedback. The main achievements with regard to taxpayer services over the Corporate Plan period are summarised hereunder:

KPIs	Targets	Achievements
Maximum No. of days for issuing VAT repayment for fast track cases	2007/08: 10 days 2008/09: 7 days July-Dec09: 7 days	2007/08: 100% refunds issued 2008/09: 97% refunds issued July-Dec09: 98% refunds issued
Maximum No. of days for issuing Income Tax refunds	2007/08: 3 months 2008/09: 3 months July-Dec09: 3 months	2007/08: 89% refunds issued 2008/09: 84% refunds issued July-Dec09: 97.5% refunds issued
Maximum time taken in giving Tax Residence Certificate	2007/08: 7 days 2008/09: 7 days July-Dec09: 7 days	2007/08: 7 days 2008/09: 7 days July-Dec09: 7 days
No. of educational sessions organised	2007/08: 25 2008/09: 25 July-Dec09: 12	2007/08: 20 2008/09: 26 July-Dec09: 18

Table 3: Evaluating taxpayer services

Besides achieving the above KPIs, a Taxpayer Satisfaction Survey was also conducted during the Corporate Plan period. The MRA's Taxpayer Satisfaction Index of 71 out of 100, indicates that taxpayers are quite satisfied with the level of services being delivered at the MRA.

3.3 Facilitate Trade

Our main achievements on this front are evident in the following Table:

KPIs	Targets	Achievements
Average 'dwell time' for cargo	2007/08: Sea 4hrs Air 1hr 2008/09: Sea 4hrs Air 45mins July-Dec09: Sea 3hrs Air 45mins	2007/08: Sea 4½hrs Air ¾hr 2008/09: Sea 3 hrs Air 45mins July-Dec09: Sea 2hrs Air 64mins
Exports clearance time	2007/08: Sea 8 mins 2008/09: Sea 8 mins July-Dec09: Sea 8 mins	2007/08: Sea 8 mins 2008/09: Sea 7 mins July-Dec09: Sea 8 mins
% of import declarations selected for physical inspection	2007/08: 18% 2008/09: 15% July-Dec09: 12.5%	2007/08: 19% 2008/09: 17% July-Dec09: 16%
Maximum time taken to issue a tariff ruling	2007/08: 3 days 2008/09: 3 days July-Dec09: 2.5 days	2007/08: 3 days 2008/09: 2.5 days July-Dec09: 2.5 days
No. of e-payment users	2007/08: 75 2008/09: 95 July-Dec09: 95	2007/08: 77 2008/09: 90 July-Dec09: 97

Table 4: Assessing trade facilitation

Furthermore, the single location, i.e., the New Customs House integrating all the services under a single roof compared to scattered offices existing previously in different locations has contributed positively towards increased trade facilitation.

Besides the achievements in respect of the aforementioned KPIs, several major projects were initiated at Customs during the first Corporate Plan period to ensure further trade facilitation. These include:

- ▶ Upgrading the CMS II System;
- ▶ E-filing and e-payment of excise declarations;
- ▶ Implementing the second-hand motor vehicle database;
- ▶ Implementing the Cargo Community System (CCS);
- ▶ Extending the Cargo Fast-Track (Blue Channel); and
- ▶ Conducting regular stakeholders' meetings.

3.4 Implement an effective management information system

Our aim has been to make maximum use of modern technology to provide world-class services to taxpayers and increase its effectiveness through better use of various sources of information available to the Authority. Our main achievements are summarised in Table 5.

Table 5: Implementing an effective management information system

KPIs	Targets	Achievements
ITAS Project	80% to be completed by December 2009 & 100% in the year 2010-2011	Phase I completed with the Go Live of all taxes except Income Tax and Corporate Tax. Go Live of Income Tax and Corporate Tax scheduled in the year 2011.
% of returns filed electronically to total No. of returns	2007/08: 100% - LTD & 100% increase in MSTD 2008/09: 100% - LTD & 100% increase in MSTD July-Dec09: 100% - LTD & 100% increase in MSTD	2007/08: 82.9% - LTD & 150.8% increase in MSTD 2008/09: 91.48% - LTD & 208.8% increase in MSTD July-Dec09: 94.4% - LTD & 155.9% increase in MSTD

3.5 Enhance corporate image

Our achievements in the sphere of enhancing corporate governance is reflected in the following Table:

Table 6: Assessing corporate governance

KPIs	Targets	Achievements
No. of declarations of assets for employees processed and verified	2007/08: 300 2008/09: 320 July-Dec09: 150	2007/08: 286 2008/09: 273 July-Dec09: 150
No. of cases of complaints/allegations where enquiries initiated	2007/08: 100 2008/09: 120 July-Dec09: 70	2007/08: 172 2008/09: 62 July-Dec09: 31
No. of training sessions held to promote integrity culture	2007/08: 5 2008/09: 6 July-Dec09: 6	2007/08: 13 2008/09: 10 July-Dec09: 0
Audit of Revenue Systems	2007/08: 12 2008/09: 7 July-Dec09: 4	2007/08: 4 2008/09: 5 July-Dec09: 3

Furthermore, two workshops on 'Enhancing Organisational Integrity at the MRA' were also organised and were held in December 2007 and November 2009 respectively.

3.6 Develop human resources

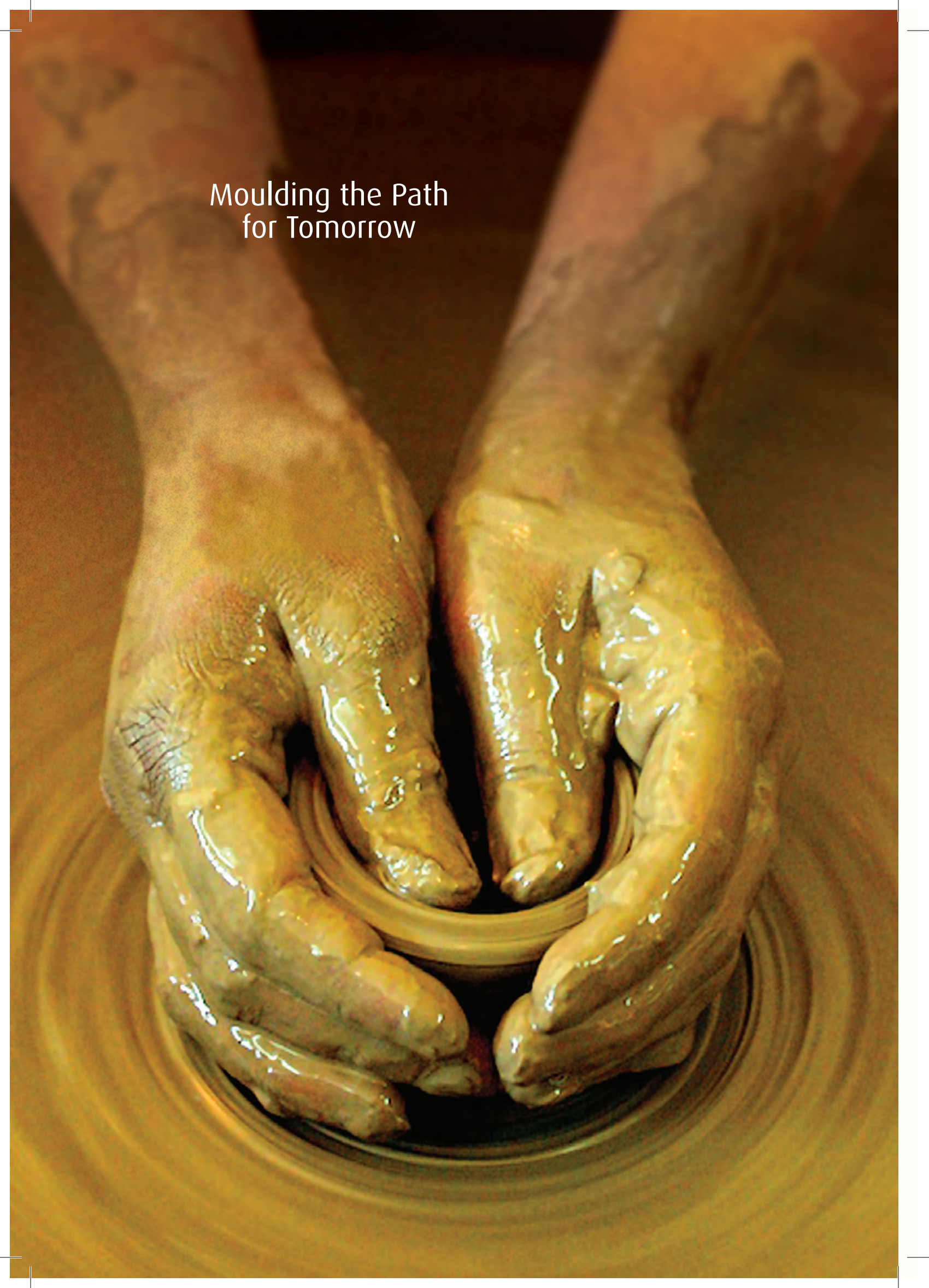
The aim was to develop a best-practice approach to human resources and talent management. The main highlights of the Human Resources & Training Department over the Corporate Plan period have been as follows:

KPIs	Targets	Achievements
No. of Training Programmes conducted	2007/08: 60 2008/09: 110 July-Dec09: 60	2007/08: 134 2008/09: 142 July-Dec09: 110
No. of man days provided for training	2007/08: 2,000 2008/09: 3,000 July-Dec09: 1,500	2007/08: 4,368 2008/09: 10,584 July-Dec09: 2,554
Setting up of Medical Scheme	2007/08: June 2008 2008/09: Dec 2008 July-Dec09: N/A	2007/08: In progress 2008/09: Completed in Nov 2008 July-Dec09: N/A
Implementation of Performance Appraisal system for all MRA's staff	2007/08: Yearly 2008/09: Every 6 months July-Dec09: Every 6 months	2007/08: On going 2008/09: As per target July-Dec09: As per target
Implementation of electronic attendance system	2007/08: Feb 2008 2008/09: Dec 2008 July-Dec09: N/A	2007/08: In progress 2008/09: Completed July-Dec09: N/A

Table 7: Developing human resources: An evaluation

It can thus be observed that during the first Corporate Plan period, various departments and divisions of the MRA have achieved practically all the major targets set, hence meeting the overall strategic objectives of the organisation. A number of projects that have started during the first three-year period and which have not been completed shall continue and be implemented in the second Corporate Plan period.

Moulding the Path
for Tomorrow



4. GOAL 1 - Promoting Voluntary Compliance

MRA's primary objective is to mobilise resources for the Government's socio-economic programs by ensuring that taxpayers pay the right amount of taxes within statutory deadlines. In order to improve overall tax compliance, MRA will initiate, improve and consolidate a series of measures. We will endeavour to make risk management an integral part of our compliance strategy, widen the scope of third party information for non-intrusive audits and examination, improve audit productivity of officers and promote team based documentary checks and audits. MRA also plans to bolster investigative capacity by reaping synergy between Fiscal Investigations Department and the Investigation Wing of the Customs Department. Strengthening partnerships with tax practitioners is another planned initiative for improving overall compliance levels.

4.1 Analyse Revenue

MRA collects more than 90% of total tax revenue. Any shortfall in collections may have significant ramifications for Government's spending capacity or indebtedness. We will ensure that revenue is accounted for on a daily basis and monitored at least on a monthly basis.

Divergences between projected and actual receipts will continue to be analysed on a monthly basis, the causes of the divergence dissected and appropriate action taken to address any issue which is within our control. Our Annual Reports will portray revenue trends and highlight the main factors explaining the annual revenue performance. We will also inform relevant internal and external stakeholders about sectoral revenue collections for their own consumption and policy action, if necessary.

4.2 Register new taxpayers and track down non-registered persons

During the next three years significant efforts will be made to review our taxpayer registration process. Amongst other things, we will be:

- (a) **Updating the taxpayer's register** by removing infructuous cases of individuals who are no longer required to file a tax return by virtue of their level of income/turnover. As regards companies, a separate case specific strategy will be evolved;
- (b) **Inducing new taxpayers to voluntarily comply** with revenue laws by registering them. In this respect, informative campaigns will be conducted regularly;
- (c) **Conducting field visits** and using third party matching of information to enforce registration by non-filers; and
- (d) **Tracking new businesses** for registration through our Online Access to the Central Business Registration Database.

4.3 Strengthen Auditing System

Auditing of tax cases is one of the core activities of the MRA. It serves two basic purposes, namely, detecting tax evasion in cases audited and serving as a deterrent against potential evasion of tax. Within the tax audit arena, our plans are as follows:

- (a) **Improving information gathering and processing.** This will be achieved through widening the scope and coverage of third parties providing information to MRA and linking the information on the basis of a common identifier, namely, the National ID number and/or Business Registration Number. To take these strategies to their logical conclusion, MRA plans to sign MOUs with other departments/bodies and recommend amendments to certain Acts making it obligatory to furnish the Common Identification Number in respect of a number of significant economic transactions. Optimal use of the new Integrated Tax Administration Solution (ITAS) will be made to ensure that data gathered is processed and meaningful information derived;

(b) Introducing and strengthening Risk Management in Audit. The importance assigned to Risk Management can be gauged from the recent constitution of a Risk Management Section in Customs Department and plans to purchase an advanced Risk Management Software. This trend will be extended further through the setting up and staffing of a **Risk Management Unit** covering Income Tax and VAT. The Unit will, *inter-alia*, identify, assess and prioritise risks, analyse compliance behaviour, determine treatment strategies and finally plan and deploy strategies. At a later stage, performance will be monitored against plan and outcomes evaluated;

(c) Promoting transparency in tax audit procedures. Tax auditors will provide ample explanations to taxpayers on account of any adjustments being made to their tax liability. The ultimate objective is to reduce litigation over assessments to the minimum during the forthcoming years and also to instil a feeling of trust in the taxpaying public;

(d) Placing emphasis on quality audits. Compliance departments together with the Internal Audit Division will work together to put in place a proper measuring system to assess the quality of audits performed. The general view is that quality audits are achieved when they focus on the targeted risks, are technically and procedurally correct, have been completed within a reasonable time frame and are correctly referenced. By introducing a quality audit measuring system, MRA intends to reduce litigation to more manageable levels;

(e) Development of a virtual audit file. MRA will seriously contemplate moving towards the recording of audits in a virtual structured audit file as most of the relevant audit data is available in the electronic format. The development of a virtual audit file will reduce the use of paper to a bare minimum and facilitate the creation of audit trails & assessment of audit efforts. Thus, the file shall provide meaningful information on efficiency and effectiveness of audits for decision making purposes;

(f) Our other main strategies to improve the quality and output of tax/customs audit will include:

- ▶ Setting up of an **Online Tracking System for goods leaving the Freeport sector** for onward sale on the local market;
- ▶ **Team based documentary checks in Customs** to improve efficiency and increase transparency;
- ▶ Increasing the number of audits conducted by MSTD through the **recruitment of additional staff**;
- ▶ **Improving the audit productivity per officer** through training and the selection of a higher percentage of cases for audits based on recommendations of the Risk Management Section/Unit;
- ▶ Conducting, in addition to risk-based audit, **random audit** to prevent any class of taxpayers from being excluded from audit purview;
- ▶ Establishing a **High Net Worth Unit in LTD and MSTD** to serve this category of taxpayers better and monitor their tax compliance;
- ▶ **Providing training to auditors** to enable them conduct field audits in computerised environment and extract relevant information; and
- ▶ **Following up on audit action.** This will be done to ensure that audited taxpayers are mending their ways and becoming compliant particularly with regard to maintenance of adequate records.

4.4 Improve the quality and coverage of our tax investigations

Investigation whether conducted by the Fiscal Investigations Department (FID) or Customs Department is a solid and a highly efficient tool in the hands of our staff to ensure compliance and deter tax evasion. Since both Departments have, over the years, acquired skills and expertise in this field, we intend to synergise the working of FID and Customs Department in investigations. Joint working sessions will be held to identify business sectors that are potentially revenue risky and

strategies will be developed jointly to tackle such cases. Other strategies which will be pursued to improve the quality of our investigations include:

- ▶ **Setting up of a Flying Squad.** A team of MRA officers and police officers posted at MRA Headquarters will carry out unannounced visits to business premises suspected of not complying with revenue legislations;
- ▶ **Reinforcing our Intelligence Unit** to gather intelligence information on businesses within specified/risky sectors on a total tax approach including customs and excise duties. In-depth investigation in complex audit cases with expected high yields will be conducted by FID with a view to establishing offences and recovering back duty;
- ▶ **Preparing Business Notes** for enlightening auditors on sectors susceptible to tax evasion;
- ▶ **Conducting sectoral studies** to understand the mode of operation of businesses, recipients of income within and outside the sector, etc;
- ▶ **Purchasing scanners** to enable non-intrusive examinations at Les Salines Cruise Terminal and in Rodrigues; and
- ▶ **Bolstering the K9 Unit in Customs** to reinforce our capacity to track entry of illegal goods into Mauritius.



Newly acquired sniffer dogs at customs

4.5 Strengthen partnership with tax practitioners

In the first stage, MRA plans to register tax practitioners who intend to do business with the organisation, in particular, prepare returns of taxpayers and represent them during tax examinations at the MRA. Registration would automatically bind practitioners to certain clear, robust and meaningful standards of conduct. It will also enable them to enjoy certain facilities that will strengthen their partnership with the MRA. However, in case of practitioner misconduct that erodes public confidence in the system and results in undesirable consequences for taxpayers, MRA would reserve the right to sanction these practitioners through a series of measures including inability to represent taxpayers at the MRA, reporting any misconduct to their registration body, etc.

4.6 Use prosecution as a deterrent

As from 2011, we shall, on a more regular basis use prosecution as a tool to deter tax evasion. The Income Tax Act already empowers the MRA to prosecute taxpayers in cases where a false return of income has been submitted, false information is given or documents are falsified, etc. Similarly, under the VAT Act, failure to register, pay tax, submit return, keep records, etc are offences that are liable to prosecution. We expect tax compliance to be substantially improved as a result of more prosecution cases being filed for these offences.

4.7 Implement a new Debt Management Strategy

The two main pillars of our debt management strategy will be expeditious recovery of collectible arrears and reduction of non-collectible debt. The latter is sought to be achieved through prompt disposal of cases by the ARC and consideration of writing-off in cases where all writing-off possible measures have been exhausted. The main elements of this strategy will include:

- ▶ **Reorientation of the approach for tackling debts** in excess of Rs 500,000. This will be the main focus of MRA since 90% of taxes due fall within this category;
- ▶ **Involving the Police Fiscal Unit** for tracing the whereabouts of tax debtors;
- ▶ **Using information technology** for:
 - Early detection of tax arrears and establish appropriate time standards for follow-up;
 - Maintaining the quality and timeliness of tax arrears data; and
 - Generating timely reports to measure performance of officers/unit.
- ▶ **Recommending to Government the reinforcement of the Assessment Review Committee** for quick disposal of appeal cases and requesting that amendments be made to bankruptcy laws so that tax debts are accorded an appropriate ranking in the hierarchy of a bankrupt company's creditors;
- ▶ **Providing proactive assistance to high risk taxpayers.** After being profiled by the Audit Departments as being at risk for financial distress, the taxpayer could be contacted by phone to offer assistance before he fails to meet his tax obligation;
- ▶ **Promoting payment of tax in installments** as a tool for effective and gradual settlement of tax debt;
- ▶ **Expediting the Debt Management Module** in Customs; and
- ▶ **Cleaning of ledger regularly (every six months) by writing-off irrecoverable arrears** to enable us to keep an accurate record of our debtors.

4.8 How we will measure achievement of our goals?

Table 8: Promoting voluntary compliance – selected KPIs

Strategic Initiatives	Key Performance Indicators
a. Analyse Revenue	<ul style="list-style-type: none"> ▶ Actual collections as a % of projected collections ▶ Regular reports on monthly/cumulative revenue collections
b. Register new taxpayers, track down non registered persons and update the register	<ul style="list-style-type: none"> ▶ % of individuals filing return ▶ % of companies filing return ▶ No. of new taxpayers registered as a result of third party matching of information
c. Strengthen Auditing System	<ul style="list-style-type: none"> ▶ No. of MOUs signed ▶ % Increase in number of new agencies providing third party data ▶ % of objections to total number of assessment cases raised ▶ Total audits effected and assessment raised ▶ % of cases selected using Risk Management tools to total cases selected both for ITax & VAT & Customs ▶ % of audit cases selected through random audit ▶ No. of anti-smuggling checks from Freeport
d. Combat tax evasion through in depth investigations	<ul style="list-style-type: none"> ▶ No. of operators visited by Flying Squad ▶ No. of cases identified by Intelligence Unit ▶ No. of Business notes prepared ▶ No. of investigations completed ▶ No. of joint investigations by FID and Customs ▶ Demand Created per fiscal investigation
e. Strengthen partnership with tax practitioners	<ul style="list-style-type: none"> ▶ No. of tax agents/practitioners registered ▶ Standards of conduct for practitioners
f. Use Prosecution as a deterrent	<ul style="list-style-type: none"> ▶ No. of cases recommended for prosecution
g. Implement a new Debt Management Strategy	<ul style="list-style-type: none"> ▶ % of total amount of old collectible debt collected to total collectible debt at the start of the year ▶ % collections out of debt raised during the year

Spinning Growth for
Outstanding Performance



5. GOAL 2 - Providing Quality Services

In World Bank's Report, 'Doing Business 2011', Mauritius stood 20th in the World in terms of Ease of Doing Business and secured 12th Ranking in respect of Ease of Paying Taxes. This remarkable achievement, no doubt, is the result of considerable efforts made in recent years to make Mauritius a business and tax friendly jurisdiction. MRA is certainly going to play an important role in consolidating our recent success in taking Mauritius to new heights in terms of doing business and paying taxes.

At MRA, we will continue to improve the quality of services we offer to our stakeholders by reducing their cost of compliance, educating and communicating with them more effectively and obtaining their honest feedback. The initiatives to be undertaken in this direction include:

5.1 Ensuring Speedy Processing of Taxpayer Claims

We will aim at issuing income tax refunds within a week in case of electronic submissions and within a month for others. Similarly, our fast track VAT repayments for exporters will be maintained at one week whilst other VAT repayments will continue to be effected within 45 days. As regards issue of Tax Residence Certificates, it will continue to be effected expeditiously, i.e. within 1 week.

Assisting Taxpayers:
Refund of passenger fee



5.2 Redesigning our outreach initiatives & consultation process

Taxpayer empowerment is central to our broad objective of improving the quality of our services. We plan to launch, in the next three years, a series of education and outreach initiatives covering a wide range of taxpayers in various business activities. We will review our leaflets and prepare new ones so that major aspects of taxes administered by MRA are covered. To cater for the needs of specialised taxpayers we will publish guidance notes that not only clarify the law but also highlight abusive transactions which will be detected and appropriate action taken. Similarly, to sensitise prospective taxpayers about the importance of paying taxes and the ways and means of complying with tax laws, we will consider, together with the Ministry responsible for secondary education, the possibility of introducing a taxation syllabus in schools.

In its drive to ensure that its education and awareness campaigns are appropriate and relevant, MRA also intends to seek the support and collaboration of stakeholders in their design and delivery.

5.3 Facilitating Compliance

We will also facilitate compliance of the common taxpayer through the use of plain English in our Communiqué and campaigns and through the simplification of tax returns. The introduction of French and Creole in our communication campaigns and informative electronic billboards at MRA Headquarters will also be considered. As regards our specialised taxpayers, we will introduce customised and targeted services for them such as Client Relationship Managers to address their needs and concerns, enhance and simplify our Standard Operating Procedures and issue guidance on major amendments made to Revenue Acts and their impact in terms of compliance requirements.

Other initiatives to enhance quality of service and facilitate compliance will include:

- (a) Conducting a feasibility study to implement a **call centre system based on IP PABX Telephony System**. The system will ensure that all incoming calls are attended to within the required time frame whilst its associated software will enable the generation of reports regarding incoming/outgoing calls, abandoned calls and measure waiting time over phone calls;
- (b) **Keeping records of taxpayers' visit to the MRA** so as to monitor the level of service and reduce probability of failures in the service process. The records to be kept on the system will include personal details of the taxpayer, date of visit, service sought, officer attending to request and action taken by the MRA;
- (c) **Training front line employees** to enhance the quality of service that they provide to taxpayers. Accordingly, the future training plan for these officers will include, *inter-alia*, training on communication skills, FAQs on MRA website, amendments to Revenue Acts, tax rulings, statement of practice, Operational Services Department directives and tax audit requirements;
- (d) **Handling of customer complaints under a revamped system**. In the new strategy, taxpayers will be made aware of the procedures for filing complaints. A dedicated hotline or email account for complaints will be set up and a complaint box with blank complaints forms will also be made available. It is proposed to take immediate action on complaints received and thus redress taxpayers' grievances; and
- (e) **Setting up of a Special Unit in MSTD to assist taxpayers and tackling non-compliance early**. The Special Unit will deal with non-filers and filers of nil return at an early stage and identify other potentially irregular taxpayers whose business is only one/two years' old and visit them in order to:
 - ▶ Educate them on issues needing clarification;
 - ▶ Assess the system in place and give a rating for subsequent audit; and
 - ▶ Sensitise them to the risks of non disclosure of transactions.

The Unit will also conduct VAT educational sessions on premises of persons who have not attended the VAT registration educational sessions and other persons who make requests for such sessions.

5.4 Using Information Technology in Tax Administration

The use of information technology to reduce the cost of doing business for both MRA and its stakeholders will be encouraged. In recent years, MRA has focused its attention and resources on greater use of IT in tax administration. We expect our **Integrated Tax Administration Solution (ITAS)** to be fully operational in 2011. With ITAS, taxpayers will be able to access a number of services electronically through Tax Portal On-line Service (TPOS) such as registration, filing of returns, payment of tax and enquiries on their taxpayer account.

E-filing of returns and e-payment of tax have been our major priorities during the last two filing seasons and the results have been very encouraging. In 2010, around 40% of total individual returns were received electronically. We will pursue this strategy further through a number of new initiatives such as:

- (a) **New communication tools** will be used to communicate with taxpayers and encourage them to e-file their return. In this respect, the possibility of using community websites like Facebook and Twitter and the Mauritius Telecom/Orange network to encourage e-filing will be given serious consideration;
- (b) Our online service will be further improved by allowing taxpayers to download **mobile-enabled online return forms via an internet connection**. This service enables taxpayers to file their returns anytime, anywhere via their mobile phones and receive instant mail acknowledgement from MRA E-Services system;
- (c) **Our media campaigns will be redesigned** with focus on youngsters acting as MRA ambassadors to encourage their parents to have recourse to e-filing;
- (d) **Educational seminars will also have a strong e-filing component**. Traders and professionals will be targeted specifically, given that very few of them submitted their returns electronically in 2010. Associations of economic operators such as MEXA, MEF and SMEDA will be encouraged to promote and assist traders/professionals and employees to e-file their returns by providing the requisite infrastructure. Similarly, Ministries and Departments will be expected to assist MRA in attaining 100% e-filing of returns by their employees in a couple of years;
- (e) Existing IT services being provided to taxpayers such as the **website facility or the Taxpayer Mailing Service will be revamped/upgraded**. We will encourage taxpayers to use our website to submit their queries whilst our network of taxpayers subscribing to the mailing service will be constantly widened;
- (f) The security concerns of taxpayers submitting their returns electronically and effecting payment of tax online will be addressed. We plan to introduce a login and **default password for e-filers and a secure electronic payment solution**;
- (g) **The Lottery Prize Scheme** for e-filers will be maintained and enhanced. In addition, consideration will be given to adding new prizes such as Caps/T-Shirts with a message such as 'I pay my taxes' or 'I've done e-filing' so that e-filers can become role models for other taxpayers; and
- (h) **Our e-payment network will also be enhanced**. We will negotiate with more banks to encourage them to provide the e-payment facility. Similarly, consideration will be given to introducing direct debit facility as well as payment of tax using international debit/credit cards.

5.5 Developing a Customer Feedback Strategy

Obtaining a honest feedback from our Customers is crucial for identifying loopholes in our existing practices, devising measures for improving the same and introducing new measures and products to serve taxpayers. Hence, we intend to introduce the following measures during the coming years:

- ▶ Touch Pad Telephone in Operational Areas;
- ▶ Taxpayer Satisfaction Surveys covering individual taxpayers, SMEs and large taxpayers;
- ▶ A survey to assess the communication strategy of MRA;
- ▶ Structured and regular communication channel or taxpayers' feedback on MRA processes, services and initiatives. A panel comprising representatives of local business associations and individuals from various industries could be set up for this purpose; and
- ▶ Extending Stakeholders Forum, presently being held at Customs, to other main taxes and holding them quarterly.

We expect that with the accomplishment of the above initiatives by 2013, the services provided by the MRA would improve further resulting in it being viewed as a highly efficient and taxpayer friendly organisation particularly by those who wish to pay their taxes honestly and promptly.

5.6 How we will measure achievement of our goals?

Strategic Initiatives	Key Performance Indicators
a. Speedy processing of taxpayer claims	<ul style="list-style-type: none"> ▶ Maximum No. of days for issuing Income Tax refunds ▶ Maximum No. of days for issuing VAT Repayments ▶ % of Fast Track cases where refunds effected within 7 days ▶ % of refunds issued in electronic filing cases within 7 days ▶ Maximum time taken to issue Tax Residence Certificates
b. Education & Outreach initiatives and facilitating compliance	<ul style="list-style-type: none"> ▶ No. of educational seminars conducted ▶ No. of explanatory leaflets/tax bulletins published and distributed ▶ System to record details of taxpayers' visit and its follow up ▶ Guide on handling and addressing complaint ▶ Special Unit in MSTD to assist taxpayers ▶ Training of frontline officers ▶ Guidance Notes on complex tax issues ▶ Taxation syllabus in schools ▶ Electronic billboard at MRA Headquarters ▶ No. of Client Relationship Managers in LTD ▶ No. of SOPs maintained, simplified & updated ▶ Guidance Notes on recent amendments to Revenue Acts
c. Using IT to reduce cost of compliance	<ul style="list-style-type: none"> ▶ No. of new initiatives to promote e-filing ▶ Developing the MRA website into a self service centre of information on tax issues ▶ % increase in e-filing of returns ▶ % increase in e-payment of custom duties ▶ No. of subscribers to mailing service ▶ Self service options through ITAS
d. Developing a Customer Feedback Strategy	<ul style="list-style-type: none"> ▶ Touch pad telephone in operational areas ▶ Taxpayer Satisfaction Surveys for individual taxpayers, SMEs, large taxpayers ▶ Survey on communication strategy of MRA ▶ No. of meetings of Panel set up for obtaining customer feedback ▶ No. of meetings of Customs and non-Customs Stakeholders' Forum held

Table 9: Providing quality services – selected KPIs

Empowering People Through
Technology and Innovation



6. GOAL 3 - Developing People, Processes & Technology

Change is a never ending process. Revenue Authorities worldwide contemplate and implement changes to be able to respond to the growing needs of their stakeholders. A pre-requisite for any organisation to cope with change and modernisation is to promote a dynamic organisational structure, i.e. one which can be adapted to changes in the external environment. The three essential elements of an organisation's structure are:

- (a) its people;
- (b) its processes; and
- (c) its technology.

At MRA, we are committed to developing our people, processes and technology so as to improve our effectiveness and efficiency both over the short and long term. In this respect, a number of strategies have been identified for implementation in the coming years.

6.1 Developing Our People

Our people are at the centre of whatever we do at the MRA. Our success and achievements have over the years, been primarily attributable to their skills, experiences, dedication and hard work. As we define our strategies for the next three years, we need to ensure that our people are provided with the necessary tools, training and incentives to be able to deliver on these strategies and meet the ever increasing demands of society. Accordingly, we plan to introduce a series of measures for empowering them and developing their skills and talents. These include:



Developing new skills and talents through training

- (a) Developing a full fledged **Training Academy** to serve as a training hub for the SADC region combined with recruiting a Director for the Academy to put in place a well designed and focused training strategy;
- (b) Developing **training programmes based on staff needs** such as communication skills, industry specific training, money laundering, tariff classification, etc;
- (c) Designing, developing and implementing policies, programmes and activities with a view to **recruiting and retaining the staff of required calibre**. These will include, amongst other things, preparing an annual recruitment plan, updating job descriptions, proposing innovative reward and recognition systems and ensuring better conditions of service and work environment. A **Talent Management Policy** will also be prepared to retain and further develop quality staff for greater sustainability;
- (d) Exploring the possibility of introducing **e-learning schemes**, including WCO e-learning programme on the Customs Intranet;
- (e) Looking into the possibility of **promoting self development** through full or partial sponsorship of officers willing to acquire additional skills;

- (f) Reviewing and updating the **MRA Learning and Development Plan** to include structured evaluation of training programmes, “self service menu” on MRA system for maintaining and updating professional qualifications and conducting training needs assessment at Departmental/Divisional level to gauge specific requirements of staff;
- (g) Ensuring better documentation and communication of **Human Resource Policies and Procedures** through updated HR Manual, SOPs for HR processes, circulars on HR issues and regular update of HR matters on the intranet;
- (h) Equipping our staff to meet changing future demands such as **increased use of technology** by the business community; and
- (i) Implementing **succession planning** to ensure continuity and quality of service.

We will also encourage diversification in the way we work by:

- (j) Promoting **internal mobility and multi-skilling** through structured staff rotation to enable our staff to acquire new skills and enhance their career development; and
- (k) **Encouraging team building through team audits**. The sharing or pooling of knowledge will undoubtedly improve output and individual wisdom.

Finally, our commitment is to cater to the well-being of our staff, their health and security. We will try to ensure that:

- (l) More **social events are organised** for them and new schemes/assistance programmes are introduced annually for their benefit;
- (m) At least one **health/nutrition promotion programme** is organised for the whole workforce every year; and
- (n) **Health and Safety Regulations** are complied with, our staff is properly equipped to meet health hazards and our plant and machinery undergo regular safety audit.

6.2 Improving business processes

In addition to our people, our business processes are essential elements of our organisational structure which need to be refined, developed and sustained. We must also ensure that the financial resources allocated to us are utilised in a cost-effective and environmental friendly manner. To meet these pre-requisites, we intend to adopt the following strategies:

- (a) Setting up of an **Electronic Document Record Management System (EDRMS)**. The first initiative will be to use the DMS component of System Application and Products (SAP) for Data Processing with the objective of capturing, storing, retrieving and delivering of documents electronically. With this system, all physical documents will have to be scanned before they could be put in the EDRMS through a user friendly screen. The EDRMS is a logical step in making MRA a paperless organisation. The benefits of EDRMS are many and varied including:
 - ▶ enabling sharing of information between departments and officers;
 - ▶ improving control of documents;
 - ▶ keeping track of people who accessed any document on EDRMS and the date and time it was viewed;
 - ▶ reducing the risks of misfiled/loss of documents; and
 - ▶ allowing online archive of paper documents.

Future developments involve extending the SAP DMS to integrate with other business systems including CMS II, Oracle Financial/HR among others;

- (b) **Becoming an ISO certified organisation**. This will be implemented through the establishment of a Quality Management System (QMS) based on ISO 9001:2008. ISO 9001 is a certification awarded to organisations which demonstrate that they have the capability to design and supply/provide a product or service in line with their documented Quality Management System. By implementing ISO, MRA aims at improving the quality of service that it delivers to its stakeholders. In fact, the development of QMS will help MRA in:

- ▶ Understanding and meeting its requirements;
 - ▶ Realising its objective of providing a world class service to taxpayers;
 - ▶ Achieving consistency in its processes;
 - ▶ Reducing costs both to the organisation and to the taxpayers;
 - ▶ Increasing customer confidence;
 - ▶ Ensuring continual reassessment and improved procedures; and
 - ▶ Increasing transparency, equal treatment and fairness in its dealings with the public.
- (c) **Reviewing the Performance Appraisal System.** The performance appraisal system already in place will be subject to a continual assessment to ensure that it is giving a true reflection of the core MRA functions as performed by officers in every department/division of the organisation. Amendments that will be considered include attaching weights to KPIs, computerisation for quicker and more effective processing and identification of top performers for inclusion in talent pool;
- (d) Developing and being in a state of readiness to implement **Business Continuity, Disaster Recovery and other Contingency Plans** and measures to ensure that we can save lives and protect key infrastructure, data and systems during an emergency, maintain our core functions and recover to a full service once the crisis has passed, protect revenue and stop smuggling during any business discontinuation and maintain communication links with vital agencies such as Police, Fire Services, National Coast Guard, etc;
- (e) Redesigning processes and procedures to ensure that the organisation has a **proper environmental strategy**. This includes integrating environmental issues into the business decision making process, using environmentally responsible products, using ghost lighting in common areas, introducing Green Customs Initiatives and improving the environmental performance of employees through training and recognition;
- (f) **Publishing and updating Financial Management Manual**, issuing guidelines on expenditure minimisation and consolidating financial regulations; and
- (g) **Promulgating Risk Management across the MRA.** Initial work relating to the preparation of risk registers for each department has been carried out. The following additional tasks will need to be effected to bring this project to its logical conclusion:
- ▶ Preparing Policy document and Guidance Manual;
 - ▶ Developing strategic risks for the MRA;
 - ▶ Appointing risk officers and risk managers at the level of each department; and
 - ▶ Identifying training needs and training of Internal Audit staff and Risk Managers.

6.3 Modernising our Information Systems

Information Technology has been the engine of modernisation program in most revenue authorities in the World since their capacity to provide improved services generally hinges on the information systems available. In addition, the utilisation of IT has become an intrinsic part of the overall tax compliance strategy as more and more information is being made available in electronic format. The main features of the IT strategy are:

- (a) **Making ITAS fully operational.** At present, our IT strategy revolves considerably around the implementation of ITAS. We will ensure that in the coming years, **ITAS is fully operational**. ITAS will make MRA a fully integrated modern Revenue Organisation by ensuring integration and seamless flow of taxpayer information amongst various departments of MRA. It would deliver high quality tax administration services in quick time. This would also lead to automation of services such as monthly departmental performance reports;
- (b) **Feasibility study on implementing the information flow between CMS and ITAS.** MRA will conduct a feasibility study to work out the seamless integration of some selected services between CMS and ITAS to ensure automatic and smooth exchange of information resulting in improved audit activities;

- (c) **Computerisation of Arrival Hall at the SSR International Airport.** The objective of the computerisation process is to reinforce control and improve revenue collection reporting. Payment of duties and taxes will be accepted on the Customs Management System once this project has been implemented;
- (d) **Improving business processes through an enhanced Human Resources Management Information System (HRMIS).** The aim is to provide more information on staff matters online, provide payslips online, computerise application and processing of overtime, communicate with HRTD through an interactive system, boost online interaction between staff and their supervisors in managing performance and reduce paperwork;
- (e) **Looking into the feasibility of migrating Financial and Human Resource Systems.** The aim is to harmonise and centralise major applications onto a single platform to simplify the administration, maintenance and to save on licensing costs;
- (f) **Extending IT services to MRA's Rodrigues Branch.** Appropriate connection lines between MRA Headquarters, Customs and Rodrigues Branch will be put in place to enable the Rodrigues Branch of the MRA to access both CMS II and ITAS. This project will enable the Branch to shift from the manual payment of tax to the electronic payment and processing;

Launching ceremony for
MRA's new office
in Rodrigues



- (g) **Feasibility of extending SAP to Customer Relationship Management System (CRM).** The CRM will denote a company-wide business strategy embracing all client-facing departments, which will improve MRA's interactions with taxpayers. With such an effective system, people, processes and technology will work in synergy to increase efficiency, and reduce operational costs. The CRM will be developed in SAP which will be linked to ITAS to retrieve the required taxpayer's information;
- (h) **Storage Infrastructure.** Storage of data needs to be addressed in the coming years in a cost-effective manner for the MRA whilst at the same time meeting all legal and corporate regulations and ensuring safety, security and accessibility. To meet the future challenges regarding storage infrastructure, it is proposed to use a tiered storage approach to optimise performance and capacity and minimise cost;
- (i) **Data Archiving and Retention Strategy.** It is proposed that archived data is stored on recoverable storage media so that if ever needed, the data can still be retrieved. This process will also ensure that the databases are not loaded with inactive data thus helping the information systems to operate at optimum performance;
- (j) **In Customs necessary changes to CMS enabling Directors/authorised officers to effect e-payment of duties** while declarations are e-filed by brokers are expected to go a long way in promoting e-payment of tax;

- (k) Consolidating VAT, Customs, Income Tax and LTD intranet into a **single MRA intranet service** to improve efficiency;
- (l) **Upgrading MRA intranet** with a log in and password so that only MRA employees can have access to it; and
- (m) **Internal Audit Management Software.** To increase the efficiency and productivity of the internal audit process, the Internal Audit Division will adopt an Internal Audit Management Software. The software will enhance our capability to:
- ▶ Define, plan, execute and report on audits across MRA;
 - ▶ Track & manage audits, audit phases, work papers and allocations;
 - ▶ Automate operations through fully configurable reporting and workflow;
 - ▶ Provide powerful support for the risk assessment methodology and champion risk management;
 - ▶ Opine on management's governance, risk and compliance efforts independently; and
 - ▶ Control access to confidential audits, fields and audit-only views.

By enhancing the quality of our people and processes and maximising the utilisation of information technology, we are confident that we will be able to improve our overall efficiency and prepare the MRA for changes, both expected and unexpected, over a short as well as a long term horizon.

6.4 How we will measure achievement of our goals?

Strategic Initiatives	Key Performance Indicators
a. PEOPLE 1. Developing a learning organisation	<ul style="list-style-type: none"> ▶ Setting up of full fledged training academy and recruitment of Director ▶ No. of Training programmes conducted based on staff needs ▶ No. of Training Days provided (man days) ▶ Succession Plan for top and senior management ▶ Annual Recruitment Plan ▶ Updated MRA Learning and Development Plan ▶ No. of communications on Human Resource Policies and Procedures ▶ No. of staff rotated to ensure internal mobility and multi-skilling ▶ No. of social events and other welfare initiatives conducted ▶ No. of health/nutrition promotion programme for whole workforce
b. PROCESSES & TECHNOLOGY 2. Optimising resources, modernising business processes & promoting environmentally friendly practices	<ul style="list-style-type: none"> ▶ Setting up and operate an Electronic Document Record Management System ▶ Implement ISO 9001:2008 in MRA ▶ Reviewing the Performance Appraisal System ▶ Business Continuity and Disaster Recovery Plan ▶ No. of initiatives undertaken to protect the environment
3. Modernising IT	<ul style="list-style-type: none"> ▶ Making ITAS fully operational ▶ Purchase of customised software for matching information from third parties ▶ Computerisation of MRA's Rodrigues Branch ▶ No. of improvements to Human Resources Management Information System ▶ Airport Passenger Terminal computerisation ▶ Feasibility study and implementation of the following IT projects: <ul style="list-style-type: none"> • Extending the storage infrastructure • SAP archiving and purging framework • Professional services to revamp MRA website/intranet ▶ Adopt Internal Audit Management Software

Table 10: Developing people, processes & technology – selected KPIs

Achieving World Standards
in Everything We Do



7. GOAL 4 - Facilitating Trade and Ensuring Border and Society Protection

It is an undeniable fact that every country is increasingly relying on faster and easier international movement of goods and persons across frontiers for economic growth and prosperity. As an agency operating at the borders, Customs department impacts significantly on the speed and efficiency with which international trade is processed at the borders. It is essential, therefore, that Customs department becomes more effective and efficient at being the fluid that facilitates trade rather than the obstacle that blocks the trade exchanges pipeline. Since the events of 9/11, the need to secure the international trade supply chain has further assumed a sense of urgency.

Hence, pushing revenue collection to the backseat, our Customs department has to accomplish the daunting tasks of identifying and facilitating legitimate trade while simultaneously ensuring that the components of the international supply chain are not used to endanger the security of population across national frontiers.

7.1 Enhancing Trade Facilitation

Experience has shown that countries which have successfully simplified and modernised their trade procedures have benefited from soaring trade flows resulting eventually in higher incomes and robust economic growth. The following initiatives will be undertaken to facilitate trade:



Fast track deliveries of goods to **Blue Channel** importers

7.1.1 Simplification of procedures

During the next three years, we shall try to expedite simplification of procedures. Amongst other things, we plan to do the following:

- (a) **Incorporating agreed amendments to the national Harmonised System (HS)**
The **Revised Kyoto Convention (RKC)**, which Mauritius has adhered to since September 2008, provides for the implementation of several revised and new provisions to further simplify and harmonise Customs procedures in order to meet the exigencies of Globalisation and modern trade. We shall endeavour to incorporate in our national HS the agreed amendments to the **Harmonised System (HS)** published by the WCO so that the same comes into force on 1st January 2012;

- (b) **Introducing the concept of bonded vehicles and on-line tracking system**
We shall also introduce the concepts of “**bonded vehicles**” for the carriage of goods delivered for **bonded warehouses** and an “**on-line tracking system**” for containers delivered from the Freeport to eliminate the need for paid Customs escorts;
- (c) **Introducing post-delivery audit system at petroleum bonded tank units by removing resident officers**
This initiative shall contribute to reducing the cost of operations to the business community and freeing officers for more productive work; and
- (d) **Bringing about modifications to the Customs Management System (CMS)**
We shall introduce modifications to the CMS for increasing the number of e-payment users. While the brokers will file the customs declarations through the CMS, the company’s director will effect the payment electronically.

Further initiatives shall include:

- ▶ Putting up a revised version of the SOPs on the MRA Intranet;
- ▶ Moving to a paperless environment through electronic transmission of business documents (invoice, bill of lading, certificate of origin, packing list, etc) along with the customs declaration;
- ▶ Aiming to increase the percentage of deliveries without examination and moving to more Post Clearance Control;
- ▶ Planning further infrastructure development with a new Customs House at the airport; and
- ▶ Setting up of a full-fledged Risk Management Section.

7.1.2 Reducing border waiting time for cargo & people

To the modern trader and the business traveller, time is of utmost importance. We shall continuously strive for reducing the Dwell-Time for cargo and the clearance time of passengers at the terminals. Some of our initiatives in this direction are as follows:

- (a) **Acquiring Risk Management Software**
We shall acquire the most recent “**Risk Management Software**”, which aims at selecting consignments for physical inspection based on certain defined risk parameters. Once fully implemented, it would also reduce the percentage of cargo subject to physical inspection whilst eliminating human intervention in the process of selecting consignments for physical examination;
- (b) **Implementing Mauritius Cargo Community System (MaCCS)**
We plan to implement the import and export modules of the **Mauritius Cargo Community System (MaCCS)** soon so as to support the already integrated manifest and transshipment modules in assisting Customs officers to better profile incoming consignments and ensure their timely clearances; and
- (c) **Reducing passengers’ clearance time**
Major developments are already underway at the SSR International Airport to increase the existing capacity of the passenger terminal to accommodate 2 million tourists by the year 2015. The **new passenger terminal**, which will be operational by July 2013, will be equipped with 8 bridges, 6 conveyor belts (of which 3 will be endowed with X-Ray machines) and a capacity of handling 7,500 travellers daily (i.e.; an increase of 226% of the existing capacity). Reducing passengers’ clearance time in the upcoming new passenger terminal is a challenge which we plan to address successfully, by all means. In the same vein, the development of the New Cargo and Freeport Zone at the airport will necessitate the construction of a **New Customs House** by year end 2011 that will integrate all airport operations, thereby contributing to improved air cargo “Dwell-Time.”

Other initiatives include:

- ▶ Optimising the use of **X-ray scanning equipment** at Port, Airport, PATS, Parcel Post and Courier-hub to reduce physical examinations;
- ▶ Setting up of the “**Single Window**” with other agencies in the supply chain;
- ▶ Increasing the number of **Blue channel beneficiaries** (Fast track clearances);
- ▶ Making optimum use of **pre-arrival goods report** and **advance passenger information**;
- ▶ Increasing **e-payment** facilities;
- ▶ Improving the **Goods Clearance Time Index** and the **Passenger Clearance Time index**; and
- ▶ Further Improving and simplifying Customs data requirements as per the **WCO Data Model**.

7.1.3 Strengthening Customs-Business relationships

In order to improve the doing business environment, we shall continue to put **traders and people at the centre** of our attention. Prior to introducing or changing any procedures we shall hold regular **Consultative Stakeholders meetings** to ensure that the changes neither bring in additional stress nor any extra cost to the traders.

One of our initiatives is the **signing of Memorandum Of Understanding (MOUs) with selected stakeholders**.

As recommended in the Revised Kyoto Convention, we shall favour the signing of Memorandum Of Understanding (MOUs) and Partnership Agreements with selected traders and stakeholders with a view to expediting and securing trade based on collaboration and co-operation in a relationship built around mutual trust. We shall also explore the possibility of signing an **MOU with shipping companies and the Environmental Protection Department** for the re-shipment by the shipping companies, to the originating country, of any consignment of hazardous chemicals and wastes, not backed by proper documents, as required under the **Basel Convention** on the Control of Trans-boundary Movements of Hazardous Wastes and their Disposal.

7.1.4 Measuring Traders/Stakeholders satisfaction

To gauge the expectations of Traders and Stakeholders operating at Customs department, an annual **Stakeholders’ Satisfaction Survey** will be conducted. We shall take all necessary measures to ensure that the **Stakeholders’ Satisfaction Index** established from that Survey is improved every year.

7.2 Ensuring Border Security & Society Protection

Since the event of 9/11, ensuring border security and society protection have become such important functions of Customs department that in many countries (USA & Canada) the Customs department has been re-named as Border Security and Control Department. Owing to Globalisation and the ever increasing movement of goods and persons to and from our country, protecting the borders and the population from transnational crimes and acts of terrorism have assumed even higher importance than revenue collection. To achieve these functions effectively, we shall make extensive use of Information Technology and increase the effectiveness of our Control and Security mechanism.



Customs Preventive Officer boarding a ship on arrival

Our initiatives in this direction include:

- ▶ Implementing the n-CEN (National Customs Enforcement Network) to enable the sharing of intelligence among all Enforcement agencies of the country;
- ▶ Extending excise stamps presently applicable to tobacco products to spirits, liquors and alcoholic beverages;
- ▶ Installing scanners at Les Salines Cruise terminal and at Rodrigues;
- ▶ Introducing Optical Character Reader (OCR);
- ▶ Using CCTV cameras, supported by mobile teams on the field on a 24/7 basis;
- ▶ Profiling of risky consignments and dubious travellers through advance passenger information and pre-arrival manifest report received electronically;
- ▶ Signing MOU's with Customs administrations of selected trading partners with a view to strengthening the staff capabilities of conducting more effective risk management and profiling of illicit trade, drug carriers and money launderers;
- ▶ Strengthening relationship with other border and law enforcement agencies;
- ▶ Bolstering the K-9 Unit with the procurement of additional sniffer dogs in collaboration with South African Revenue Service (SARS); and
- ▶ Introducing the **Authorised Economic Operator (AEO)** programme.

All these measures taken together will certainly play an important role in ensuring the safety of our borders, thereby protecting our society from any transnational harm.

7.3 How we will measure achievement of our goals?

Table 11: Facilitating trade and ensuring border and society protection- selected KPIs

Strategic Initiatives	Key Performance Indicators
Intensifying the simplification of procedures	<ul style="list-style-type: none"> ▶ % of declarations subjected to physical examination ▶ Adequate systems & procedures to cope with the new development at Airport ▶ Setting up of a Risk Management Section ▶ Reviewing of Specific Annex for the reservation under the RKC ▶ Implementation of HS 2012 version ▶ Introduction of "bonded vehicles" ▶ Implementing the On-Line Tracking System (OTS) & removal of officers from Freeport ▶ Introduction of post audit based system in the Bonded Tanks Unit ▶ Integrating new modules in the CMS ▶ Introducing electronic submission of business documents in the CMS ▶ Introducing web-based Customs Declaration ▶ Reviewing existing SOPs in line with development in the trade & business environment and posting them on the intranet
Reducing border waiting time for cargo & people	<ul style="list-style-type: none"> ▶ Implementing Risk Management Software ▶ Implementation of the MaCCS ▶ Reducing passengers' clearance time (Passenger Clearance Time Index) ▶ Reducing Physical inspections of cargo (Goods Clearance Time Index) ▶ Increasing the Nos. of consignments cleared using X-Ray scanning ▶ Setting up of Single Window with other agencies ▶ Increasing the No. of economic operators submitting paperless Customs declarations
Strengthening Customs-Business relationships	<ul style="list-style-type: none"> ▶ Signing of MOUs & Partnership agreements with traders ▶ Holding of Stakeholders' Forums ▶ Implementing provisions of the BASEL convention
Measuring traders / stakeholders satisfaction	<ul style="list-style-type: none"> ▶ Holding annual stakeholders' satisfaction survey ▶ Monitoring Stakeholders' Satisfaction Index
Reinforcing control & border security mechanisms	<ul style="list-style-type: none"> ▶ Implementing the n-CEN ▶ Introducing Tax Stamps on Spirits, Liquor & Alcoholic Beverages ▶ Setting up of the Mobile Enforcement Teams ▶ Procurement of Optical Character Reader (OCR) ▶ Reinforcing the K-9 Unit ▶ Implementing the AEO programme

Contributing to the Nation's Prosperity



8. GOAL 5 - Strengthening Good Governance and Improving Corporate Image

Of late **Public organisations** are called upon to be not only efficient and effective but also to operate in a **clean, transparent, equitable and accountable** manner towards their customers. Equally important is the need for such public organisations to be seen having simple, predictable, and **standardised procedures** which are easily comprehensible and having a properly communicated process of appeal for every user and stakeholder to seek redressal of grievances. These requirements, along with other statutory obligations like the publication of an **Annual Report and the Audited Statement of Accounts** shall instil confidence in the public that the Organisation is run along **sound principles of good corporate governance**.

The MRA already conforms to the basic principles of good governance, guided as it is, by the Code of Corporate Governance of Mauritius. The independently run MRA Board consisting of a Chairperson and six members and its three committees, its fully functional Internal Audit and Internal Affairs Divisions and the statutory requirement for the publication of the Annual Report containing its Audited Statement of Accounts, all serve to ensure good corporate governance. However, there is always room for improving the present state of affairs.

8.1 Enhancing principles of good governance within the organisation

The major initiatives to improve Good Governance Framework include:

(a) Review of Standard Operating Procedures (SOPs)

We shall review and revise, if necessary, all **Standard Operating Procedures (SOPs)** and ensure that such SOPs are placed on the MRA's Intranet. Whenever possible, these SOPs will also be placed on MRA's website to enable public at large to be aware of MRA's procedures relating to different functions. Every officer shall, give an undertaking to Management that he will strictly adhere to the SOPs in the exercise of his functions so that every taxpayer is treated in a fair, equitable and just manner; and

(b) The following additional initiatives shall reinforce the Organisation's Good Governance Framework:

- Disclosing **Related-Party Transactions**
- Updating the Disciplinary Codes and Procedures;
- Providing targeted training jointly by the Internal Audit Division and Directors of Various Departments on governance issues;
- Revisiting the MRA Code of Conduct and Ethics, and in particular, addressing or fully expanding on the following issues:
 - (i) Conflict of interest;
 - (ii) Receipt of gifts during the course of employment;
 - (iii) Receipt of facilitation payments; and
 - (iv) Engaging in outside employment and/or provision of services as consultants/lecturers.

8.2 Ensuring information sharing and networking

For improving communication with taxpayers and stakeholders and ensuring free flow of information both horizontally and vertically across the Organisation, we shall undertake a number of initiatives, some of which have already been explained in the Plan:

- (a) **Re-developing MRA's website**
For facilitating more interaction with taxpayers, we shall redevelop the MRA's website so as to be more user friendly, informative, dynamic and appealing;
- (b) **Implementing a single intranet system**
Presently, four separate and independent intranet systems (LTD, Income Tax, VAT & Customs) result in a lot of duplication and loss of efficiency in the Organisation. In order to get over these problems and carry further the idea of a single Revenue Authority administering all revenue laws, we shall consolidate the existing four separate intranet systems into a single unique intranet system for the whole organisation; and
- (c) **Developing and implementing a centralised Electronic Document Record Management System**
Through this initiative, we shall be moving towards a paperless environment which will guarantee better document protection and data privacy, and also translate our commitment to the MID initiative.

Our other initiatives include:

- ▶ Establishing **partnership agreements with tax auditors and practitioners** to improve compliance and levels of integrity;
- ▶ Encouraging staff/stakeholders to report corrupt practices;
- ▶ Publishing an integrity bulletin every semester; and
- ▶ Having a full-fledged media Relations Officer and holding regular Director-General's press conferences to communicate important information to the public.

8.3 Maintaining quality and assurance

Every department of the Organisation is subjected to close scrutiny by the **Internal Audit Division** to ensure quality of service and promote assurance amongst its staff in the exercise of their functions. Our further initiatives shall include:

- ▶ **Introducing ISO 9001:2008 Quality Management System (QMS)** throughout the Organisation;
- ▶ **Auditing of systems and procedures** in the light of revised SOPs;
- ▶ **Training** of staff to enable them identify material risks and threats to internal processes and provide remedial actions. The objective is to install an internal control within Departments which could ensure quality and assurance to a considerable extent before Internal Audit Division steps in to identify weaknesses and loopholes in systems; and
- ▶ Identifying grey areas in regulatory framework not covered by rules, guidelines, Departmental Instructions & Departmental Orders and establishing special teams to address the same.

8.4 Maintaining integrity and good corporate image within the organisation

Our prominent initiatives for ensuring integrity within the Organisation shall include:

- (a) **Issuing an Approved Integrity Policy statement**
We shall broaden our strategy to ensure integrity in the conduct of all our operations and in the delivery of services to our clients and stakeholders and take prompt and remedial measures to counter any integrity breaches and malpractices including any corrupt practices that go counter or appear to go counter to our vision, mission, values and goals. In line with this policy, we intend to issue an Approved Integrity Policy Statement. This Policy Statement will articulate ethical and moral standards and MRA's stance against bribery and corruption to outside stakeholders, elaborate on the standards of integrity expected from them as well as the practices prohibited;

(b) **Conducting an Annual Integrity Perception Survey**

Projecting a good corporate image is essential to any public organisation, particularly for a large revenue collection agency like the MRA. We shall conduct an **annual Integrity Perception Survey** amongst our major stakeholders and the general public with the objective of establishing an **Integrity Perception Index**. Annual monitoring of this Index and that of the number of integrity complaints and violations amongst staff shall provide necessary indication of any improvement or deterioration in the levels of integrity within the Organisation; and

Obtaining customer
feedback through surveys



(c) Other initiatives include:

- ▶ Endeavouring to introduce a section on whistle blowing in the MRA Act for the protection of and reward to whistle blowers providing useful information on income tax, corporate tax, customs and any other case of illegal activity or malpractice involving internal and external stakeholders;
- ▶ Ensuring a robust Risk Management Framework through the establishment of a Risk Committee to monitor risk incidence and minimise risk;
- ▶ Establishing a transparent and efficient internal disciplinary system which will act as a powerful deterrent to all acts and instances of malpractices at the MRA;
- ▶ Continually updating the Procurement Procedures Manual in line with the Public Procurement Act 2006 to maintain transparency, equity and integrity in all MRA's procurement of goods and services; and
- ▶ Holding stakeholders' forum regularly to translate MRA's policy of placing the users at the centre of its concerns.

8.5 How we will measure achievement of our goals?

Strategic Initiatives	Key Performance Indicators
Enhancing principles of good governance amongst staff within the organisation	<ul style="list-style-type: none"> ▶ Staff acknowledging the revised SOPs ▶ No. of staff trained on governance issues ▶ Revisiting Code of Conduct & Ethics ▶ Updating Disciplinary Codes & Procedures
Ensuring information sharing & networking	<ul style="list-style-type: none"> ▶ Preparation of Annual Report (yearly) ▶ Preparation of Corporate Plan (3-year plan) ▶ No. of Integrity Bulletins published
Maintaining quality and assurance	<ul style="list-style-type: none"> ▶ Introducing ISO 9001:2008 ▶ No. of system Audits throughout the MRA ▶ No. of transaction Audits in main areas ▶ No. of staff trained on Risk Management ▶ No. of departments covered by training on internal controls ▶ No. of officers/officials trained on internal controls
Maintaining integrity and good corporate image within the organisation	<ul style="list-style-type: none"> ▶ Publishing of an approved Integrity Policy Statement ▶ Conducting Integrity Surveys ▶ Establishing Index of Integrity Perception ▶ No. of stakeholders' forums held:- <ul style="list-style-type: none"> (a) Customs (b) Other taxes ▶ Updating the Procurement Procedures Manual ▶ No. of preliminary investigations leading to further investigations ▶ No. of full-fledged investigations

Table 12: Strengthening good governance and improving corporate image – selected KPIs

Annexure

Strategies, Indicators & Targets: 2011-2013

Table 13: GOAL 1 - Promoting voluntary compliance

SN	Objectives	Strategies	Measures	Targets		
				2011	2012	2013
1	1. Promoting voluntary compliance	a. Analysing Revenue	Actual collections as a % of projected collections not below the percentage indicated	95%	95%	95%
			Regular reports on monthly/cumulative revenue collections	Monthly & Cumulative	Monthly & Cumulative	Monthly & Cumulative
			Monthly report on Sectoral VAT collections	12	12	12
		b. Registering new taxpayers, tracking down non registered persons and updating the register	% of individuals filing return	88%	90%	92%
			% of companies filing return	78%	80%	85%
			No. of new taxpayers registered as a result of third party matching of information	1,000	2,000	3,000
		c. Strengthening Auditing System	% of cases selected for audit LTD MSTD	MSTD I.Tax-2.5% VAT-15% PAYE-10% Gaming-20% Horse Racing-100% LTD 25%	MSTD I.Tax-2.5% VAT-20% PAYE-10% Gaming-20% Horse Racing-100% LTD 25%	MSTD I.Tax-2.5% VAT-25% PAYE-10% Gaming-20% Horse Racing-100% LTD 25%
			% of cases selected using Risk Management tools to total cases selected for audit examination for ITax, VAT and Customs	Customs – 30% MSTD – 99.8% LTD – 50%	Customs – 40% MSTD – 99.75% LTD – 50%	Customs – 50% MSTD – 99.7% LTD – 50%
			% of audit cases selected through random audit	MSTD – 0.2% LTD – 50%	MSTD – 0.25% LTD – 50%	MSTD – 0.3% LTD – 50%
			Total audits effected - LTD - MSTD	250 3,500	250 3,800	260 4,000
			Total assessment raised - LTD - MSTD	350 2,400	360 2,800	370 3,000
			No. of quality audits performed MSTD LTD	1,050 250	1,100 250	1,200 260
			% of objections to total number of assessment cases raised MSTD LTD	25% 75%	23% 75%	21% 75%
			Developing system for virtual audit filing	To be implemented	On going	On going
			No. of MOUs signed	2	3	4
			% Increase in number of new agencies providing third party data	5%	10%	12%
			No. of visits for widening of tax base	75	85	100

Continued →

SN	Objectives	Strategies	Measures	Targets		
				2011	2012	2013
			No. of team based documentary checks in Customs	100%	100%	100%
			High Net Worth Unit in MSTD/LTD	To be implemented	On going	On going
			No. of anti-smuggling checks from Freeport	12	12	12
			No. of Post-Clearance Control Audits (PCCAs) in Customs	115	125	135
			No. of Customs Offence Report (COR) raised	400	375	350
			Amount of revenue raised in CORs	Rs 30m	Rs 28m	Rs 26m
			Amount of penalty imposed on CORs	Rs 30m	Rs 28m	Rs 26m
			Revenue and penalty collected as a result of value upliftment in Customs	Rs 25m	Rs 25m	Rs 25m
			No. of audits of excise operators	40	50	60
			No. of excise offences detected	25	30	35
			No. of cases referred to Fiscal Investigations Department - LTD - MSTD	5 40	5 40	5 40
			% No. of cases where objection unit disposes a case in 2 months MSTD LTD	55% 15%	60% 20%	60% 25%
			Conducting research on the impact of changes in tax policy on revenue collection	ongoing	ongoing	ongoing
			Preparing papers on issues relating to tax policy & administration	8	10	12
		d. Combating tax evasion through in depth investigations	No. of cases identified by Intelligence Unit & referred - FID - Other depts	50 80	50 80	50 80
			No. of operators visited by flying squad	75	75	75
			No. of joint investigations by FID and Customs	2	4	6
			No. of investigations completed	80	85	90
			Demand created per fiscal investigation	Rs 1.7m	Rs 1.7m	Rs 1.7m
			No. of Business notes prepared Report on sector/s dealt with	2 1 sector	2 1 sector	2 1 sector
			No. of offences detected using scanners	180	190	200
			No. of offences detected using K9 unit in Customs	10	10	10

Continued →

Table 13: GOAL 1 - Promoting voluntary compliance

Strategies, Indicators & Targets: 2011-2013

Table 13: GOAL 1 - Promoting voluntary compliance
Continued →

SN	Objectives	Strategies	Measures	Targets		
				2011	2012	2013
		e. Strengthening partnership with tax practitioners	No. of tax agents/practitioners registered	25	50	100
			Standards of conduct for practitioners	December	-	-
		f. Using Prosecution as a deterrent	No. of cases recommended for prosecution	50	50	50
		g. Implementing a new Debt Management Strategy	% of total amount of old collectible debt collected to total collectible debt at the start of the year	22%	24%	25%
			% collections out of debt raised during the year	23%	25%	30%
			% reduction in Book Balance of debt at the start of the year	11%	12%	13%
			Setting up of debt management module in Customs	To be completed	-	-

SN	Objectives	Strategies	Measures	Targets		
				2011	2012	2013
1	1. Improving Taxpayer Service	a. Speedy processing of taxpayer claims	Maximum No. of days for issuing VAT Repayments	7 days for Fast Track Cases; 2 Weeks for normal cases not requiring Audit; & 45 days for those requiring Audit	7 days for Fast Track Cases; 10 days for normal cases not requiring Audit; & 30 days for those requiring Audit	7 days for Fast Track Cases; 1 Week for normal cases not requiring Audit; & 30 days for those requiring Audit
			Maximum No. of days for issuing Income Tax refunds	45 days	30 days	20 days
			% of Fast Track cases where refunds effected within 7 days to total No. of such cases	100%	100%	100%
			% of refunds issued in electronic filing cases within 7 days	100%	100%	100%
			% of telephone calls answered	97%	98%	98.5%
			Time within which taxpayers calling at office are served (average waiting time)	10 minutes	8 minutes	6 minutes
			Maximum time taken to issue Tax Residence Certificates	7 days	7 days	7 days
		b. Education & Outreach initiatives and facilitating compliance	Maximum time taken to dispose off grievance petitions	Minor-4 working days Major -8 working days	Minor-4 working days Major -8 working days	Minor-3 working days Major -7 working days
			No. of educational seminars conducted	25	30	30
			No. of awareness raising campaigns conducted	25	30	30
			No. of explanatory leaflets / tax bulletins published and distributed	12	15	20
			No. of guidance Notes on complex tax issues	As & when required	As & when required	As & when required
			No. of guidance Notes on recent amendments to Revenue Acts	1	1	1
			No. of guides on handling & addressing complaints	1	1	1
			No. of SOPs maintained, simplified & updated	125	150	150
			% of advisory visits effected on request	100%	100%	100%
			No. of client relationship managers in LTD	125	150	175
			No. of press briefings including press conferences, communiqués, interviews issued	70	80	100

Table 14: GOAL 2: Providing quality services

Continued →

Strategies, Indicators & Targets: 2011-2013

Table 14: GOAL 2: Providing quality services

Continued →

SN	Objectives	Strategies	Measures	Targets		
				2011	2012	2013
			Installation of system to record details of taxpayers' visit and its follow up	To be implemented	-	-
			Special Unit in MSTD to assist taxpayers	To be implemented	-	-
			Training of front line officers	Ongoing	Ongoing	Ongoing
			Taxation syllabus in schools	1	1	1
			No. of times MRA website is updated	As & when required	As & when required	As & when required
			Electronic billboard at MRA Headquarters	1	0	0
			No. of new initiatives to promote e-filing	1	1	1
		c. Using IT to reduce cost of compliance	% increase in e-filing of returns - LTD - MSTD	96% 50%	98% 60%	100% 75%
			No. of e-payment users at Customs	122	140	160
			% increase in e-payment of customs duties	12%	12%	12%
			Developing the MRA website into a self service centre of information on tax issues	100%	-	-
			Self service options through ITAS	30%	30%	40%
			No. of subscribers to mailing service	10,000	15,000	20,000
		d. Developing a Customer Feedback Strategy	Touch pad telephone in operational area	-	June	-
			Taxpayer Satisfaction Surveys for individual taxpayers, SMEs and large taxpayers	1	1	1
			Survey on communication strategy of MRA	-	1	1
			No. of meetings of panel set up for obtaining customer feedback	1	-	-
			No. of meetings of Customs and non-Customs Stakeholders' Forum held	Ongoing	Ongoing	Ongoing

SN	Objectives	Strategies	Measures	Targets		
				2011	2012	2013
1	1. Developing - People	a. Developing a learning organisation	Setting up of full fledged training academy and recruitment of Director	-	June	-
			Training Needs Analysis & Update thereof	1	1	1
			No. of Training Programmes conducted based on staff needs	75	80	85
			No. of Training Days provided (man days)	4,000	4,500	5,000
			No. of training programmes evaluated	75	80	85
			% utilisation of amount allocated for training	100%	100%	100%
			% of staff completing induction training	100%	100%	100%
			Succession Plan for top and senior management	June	-	-
			Annual Recruitment Plan	Jan/Feb	Jan/Feb	Jan/Feb
			% of posts vacant against total posts	3%	2%	2%
			Time taken (months) to fill in vacancies after advertisement	1	1	1
			Rate of staff turnover	3%	3%	3%
			No. of e-learning schemes introduced	1	2	3
			No. of scheme for promoting self development	1	2	3
			Updated MRA Learning & Development Plan	Feb/Mar	Feb/Mar	Feb/Mar
			No. of communications on Human Resources, Policies & Procedures	2	3	4
			No. of staff rotated to ensure internal mobility and multi-skilling	100	150	200
			No. of social events and welfare initiatives conducted	3	5	7
			No. of Health/nutrition promotion programme for whole workforce	1	2	3
			Time Taken (months) to process & complete reported cases of misconduct	1	1	1
			No. of meetings with staff association	12	12	12

Continued →

Table 15: GOAL 3 - Developing People, Processes & Technology

Strategies, Indicators & Targets: 2011-2013

Table 15: GOAL 3 - Developing People, Processes & Technology

Continued →

SN	Objectives	Strategies	Measures	Targets		
				2011	2012	2013
2	1. Developing - Processes	b. Optimising resources, modernising business processes & promoting environmentally friendly practices	Set up and operate an Electronic Document Record Management System	60%	20%	20%
			Implement ISO 9001:2008 in MRA	In process	To be completed	-
			Reviewing the Performance Appraisal System	January	-	-
			Draft and implement a Business Continuity and Disaster Recovery Plan	Cold DR Site: 100%	Warm DR Site initial 100%	-
			No. of initiatives taken to protect the environment	5	5	5
			Preparing report on achievements of various departments in relation to KPIs	Monthly & Cumulative	Monthly & Cumulative	Monthly & Cumulative
3	1. Developing - Technology	c. Modernising IT	Making ITAS fully operational	Partial:75%	Remaining: 25%	-
			Use customised software for matching information from third parties with data in tax returns	30%	30%	40%
			Extend IT services to MRA's Rodrigues Branch	100%	-	-
			No of Improvements/ enhancements to Human Resources Management Information System	2	2	3
			Airport Passenger Terminal computerisation	Duty free and VAT Free sales - MCCI and Customs on line	VAT Refund - MCCI and MRA online	Computerisation of delayed and leftover luggage
			Security and network upgrade	35%	30%	35%
			Implementation of a secure payment solution	35%	35%	30%
			Implementation of complete call center solution	35%	35%	30%
			Extrapolation of MRA IS platform for mobile-enabled applications	-	30%	70%
			Implementation of barcoding system for transactional purposes	100%	-	-
			Enhancement of Taxpayer Online Services (TPOS)	50%	25%	25%
			Professional services to revamp MRA web site/ intranet	50%	50%	-
			Feasibility of information flow between CMS and ITAS	-	-	Initiate: 100%
			Feasibility of SAP Technical Update and new features	-	-	Initiate: 100%

Continued →

SN	Objectives	Strategies	Measures	Targets		
				2011	2012	2013
			Extending the storage infrastructure	-	60%	40%
			Feasibility of implementing desktop virtualisation infrastructure	-	-	Initiate: 100%
			Acquisition of software licenses	80%	10%	10%
			Renewal of ICT equipment	30%	50%	20%
			Acquisition of medium-sized servers	-	35%	65%
			Feasibility of setting up SAP archiving and purging framework	-	50%	50%
			Enhancement of security infrastructure at NCH	35%	35%	30%
			Replacement of ICT equipment at NCH	30%	35%	35%
			Acquisition of software licenses	50%	25%	25%
			Clustering of CMSII	-	50%	50%
			Adopt Internal Audit Management Software	-	-	To be completed

Table 15: GOAL 3 - Developing People, Processes & Technology

← Continued

Strategies, Indicators & Targets: 2011-2013

Table 16: GOAL 4 - Facilitating Trade and Ensuring Border & Society Protection

SN	Objectives	Strategies	Measures	Targets		
				2011	2012	2013
1	1.1. Enhancing Trade Facilitation	a. Intensifying the simplification of procedures	% of declarations subjected to physical examination	12.5%	12%	10%
			Adequate systems & procedures to cope with the new development at Airport - Work started at New Passenger Terminal	-	-	July 2013
			Simplification of procedures for cargo clearance at Airport	Simplified declaration for courier	Simplified declaration for transit goods	Operation of New Passenger Terminal
			Setting up of a full-fledged Risk Management Section	• Training in advance intelligence & analysis techniques • Implementation of weighing bridge system	Procurement of Risk Management Software	-
			Reviewing of Specific Annex for the reservation under the RKC	To be completed	-	-
			Implementation of HS 2012 version	To be completed	-	-
			Introduction of "bonded vehicles" - Number	26	28	30
			Developing more effective procedures for clearance of motor vehicles at importation	Drafting proposals for approval by RPP and MOFED	Inclusion of Legal provisions in Budget	Implementation
			Implementing the On-Line Tracking System (OTS) & removal of officers from Freeport	Implementing	Monitoring & fine tuning	Enhancing effectiveness as appropriate
			Removal of resident officers from freight stations	-	Gradual removal of resident officers at freight stations & proceed to random supervision based on risk assessment	-
			Introduction of post audit based system in the Bonded Tanks Unit	Tentative January 2011	-	-
			Review of processes and procedures of Auction Sales activities.	Tentative January 2011	-	-
			Integrating new modules in the CMS	CORs Debt Management	Clustering technology - completed	-
			Introducing web-based Customs Declaration	To be initiated	-	To be completed
			Introducing electronic submission of business documents in the CMS	Policy Decision	-	-

Continued →

SN	Objectives	Strategies	Measures	Targets		
				2011	2012	2013
			Faster and more effective settlements of COR	Drafting proposals for approval by RPP and MOFED	Inclusion of Legal provisions in Budget	Implementation
			Enhancing Tariff Ruling Database by providing photos/catalogue and technical literature on the system	To be completed	-	-
			Time taken to issue a Tariff Ruling	2.5 days	2.5 days	2.5 days
			Database of exporters under different protocols	-	To be completed	-
			Review of existing Standard Operating Procedures (SOP)	On-going	On-going	On-going
		b. Reducing border waiting time for cargo & People	Dwell-Time for Cargo	Green – 3hrs Yellow – 6 hrs Red – 24 hrs	Green – 3hrs Yellow – 5 hrs Red – 23 hrs	Green – 2 ½ hrs Yellow – 4 ½ hrs Red – 22 hrs
			Export Clearance Time	Sea – 4 mins Air – 36 mins	Sea – 4 mins Air – 30 mins	Sea – 3 mins Air – 25 mins
			New passenger terminal and cargo & Freeport Zone at airport	-	-	New passenger terminal ready. MRA Customs to start planning
			Reducing physical inspections of cargo (Goods Clearance Time Index)	Creation of Index	To follow on what is derived from 2011	To follow from what is derived from 2012
			Reducing passengers' clearance time (Passenger Clearance Time Index)	Creation of Index	To follow on what is derived from 2011	To follow from what is derived from 2012
			Implementing Risk Management Software	-	Procurement	-
			Implementation of the MaCCS	-	-	To be completed
			Increasing the Nos. of consignments cleared using X-Ray scanning	45,000	48,000	50,000
			Making SADC certificate of origin web-based	Policy decision	-	-
			Setting up of Single Window with other agencies.	-	-	To be completed
			Increase the number of economic operators submitting paperless Customs declarations	30	35	40
			Incorporating the WCO Data Model version 3.0	-	-	To be completed
		c. Strengthening Customs-Business relationships	Signing of MOUs & Partnership agreements with traders	Ongoing	Ongoing	Ongoing
			Implementing provisions of the BASEL convention	Ongoing	Ongoing	Ongoing

Continued →

Table 16: GOAL 4 - Facilitating Trade and Ensuring Border & Society Protection

Strategies, Indicators & Targets: 2011-2013

Table 16: GOAL 4 - Facilitating Trade and Ensuring Border & Society Protection

Continued →

SN	Objectives	Strategies	Measures	Targets		
				2011	2012	2013
		d. Measuring Traders / stakeholders satisfaction	Holding annual stakeholders' satisfaction survey	1	1	1
			Monitoring Stakeholders' Satisfaction Index	Yearly	Yearly	Yearly
2	1.2. Ensuring border security & society protection	a. Reinforcing control & security mechanisms	Procurement of optical character reader (OCR)	Market research and feasibility study.	Procurement of OCR	Start procedures for procurement of scanner
			Procurement of scanners for Les Salines Cruise Terminal & Rodrigues	-	-	Start procedures for procurement of scanners
			Reinforcing the K-9 unit	To be completed	-	-
			Implementing the n-CEN	To be completed	-	-
			Introducing Tax Stamps on Spirits, Liquor & Alcoholic beverages	-	To be completed	-
			Setting up of the Mobile Enforcement Teams	To be completed	-	-
			Implementing the AEO programme	-	To be completed	-
			Risk profiling created by pre-arrival manifest	25	55	85
			Signing of MOUs with other Customs Administrations	Ongoing	Ongoing	Ongoing
			Strengthening relationships with other border & law enforcement agencies	Ongoing	Ongoing	Ongoing
			Enhanced coordination with Financial Intelligence Unit and MOFED	Ongoing	Ongoing	Ongoing

SN	Objectives	Strategies	Measures	Targets		
				2011	2012	2013
1	GOAL 5: Strengthening Good Governance & Improving Corporate Image	a. Enhancing principles of good governance among staff within the organisation	Auditing the effectiveness of Governance structures within the organisation	-	-	To be completed
			Staff acknowledging the revised SOPs	Ongoing	Ongoing	Ongoing
			No. of staff trained on governance issues	Ongoing	Ongoing	Ongoing
			Conducting training courses (on integrity, ethics & discipline)	12	12	12
			Revisiting Code of Conduct & Ethics	-	To be completed	-
			Ensuring alignment of code with Employment Rights Act & best practices	Completed	-	-
			Disclosing Related Party Transactions	-	To be completed	-
			Updating Disciplinary Codes & procedures	March	-	-
		b. Ensuring information sharing and networking	Preparation of Annual Report (yearly)	1	1	1
			Preparation of Corporate Plan (3-year plan)	-	-	1
			Integrity bulletin every semester	2	2	2
		c. Maintaining quality & assurance	Preparation of 3-year Audit Action Plan	April	-	-
			No. of system Audits throughout the MRA	8	8	8
			Transaction Audits in main areas	12	15	15
			Follow-up exercises for assessing implementation of Audit recommendations	3 months after discussion of reports at Audit Committee level	3 months after discussion of reports at Audit Committee level	3 months after discussion of reports at Audit Committee level
			Establishing Risk Committee to monitor risk incidence & their alleviation	-	-	To be completed before July
			Preparing policy document & guidance manual for Risk Management Project	In process	To be completed	-
			Identifying & developing strategic risks for the MRA	In process	To be completed	-
			Appointing Risk Officers at the level of each Department	In process	To be completed	-
			No. of staff trained on Risk Management	On-going	On-going	On-going

Table 17: GOAL 5 - Strengthening Good Governance & Improving Corporate Image

Continued →

Strategies, Indicators & Targets: 2011-2013

Table 17: GOAL 5 - Strengthening Good Governance & Improving Corporate Image

[Continued →](#)

SN	Objectives	Strategies	Measures	Targets		
				2011	2012	2013
			Establish Oversight Committee between Internal Audit & Internal Affairs with a view to determining whether there should be follow up investigations after an audit of areas posing a high risk to fraudulent activities	-	To be completed	-
			Training on internal controls for MRA staff at supervisory & management level within each Dept.	All	-	-
			No. of legislations, processes, procedures, conventions & SOPs aligned by Special Team	4	6	8
			Commission study on compliance risks at MRA & measures to alleviate such risks (i) Report from expert (ii) Action on report	1 -	- To be initiated	- To be completed
			Process & verify DOAs	350	700	800
		d. Maintaining integrity and good corporate image within the organisation	Investigation based on processing of DOAs	30	30	30
			No. of cases of complaints/allegations where enquiries initiated	100%	100%	100%
			No. of preliminary investigations leading to further investigations	50	60	60
			No. of full fledged investigations	40	50	50
			No. of cases where disciplinary action recommended	5	5	5
			Carry evaluation on recruitment and promotion process	1	1	1
			Conduct integrity checks on new recruits/officers selected for promotion	All	All	All
			No. of integrity tests conducted	100%	100%	100%
			Conducting integrity workshops	1	1	1
			Conducting Integrity Surveys	-	-	1
			Celebrating Integrity Weeks	1	1	1
			Establishing Index of Integrity Perception	To be completed	-	-
			Publishing of an approved Integrity Policy Statement	-	To be completed	-
			Updating the Procurement Procedures Manual	On-going	On-going	On-going
			Establishing internal disciplinary system	To be completed	-	-

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Glossary

AEO	Authorised Economic Operator	MEF	Mauritius Employers' Federation
API	Advanced Passenger Information	MEXA	Mauritius Export Association
ARC	Assessment Review Committee	MID	Maurice Ile Durable
BRIC	Brazil, Russia, India and China	MOFED	Ministry of Finance & Economic Development
CCTV	Closed-Circuit Television	MOU	Memorandum of Understanding
CMS	Customs Management System	MRA	Mauritius Revenue Authority
COR	Customs Offence Report	MSTD	Medium & Small Taxpayers Department
CRM	Customer Relationship Management	N/A	Not Applicable
CSO	Central Statistics Office	n-CEN	National Customs Enforcement Network
CT	Corporate Tax	NCH	New Customs House
DMS	Document Management System	OCR	Optical Character Reader
DOA	Declaration of Assets	OSD	Operational Services Department
EDRMS	Electronic Document Record Management System	OTS	On-line Tracking System
FAD	Finance & Administration Department	PABX	Private Automated Branch Exchange
FAQs	Frequently Asked Questions	PAYE	Pay As You Earn
FID	Fiscal Investigations Department	PCCA	Post-Clearance Control Audit
GDP	Gross Domestic Product	PIT	Personal Income Tax
HR	Human Resources	QMS	Quality Management System
HRMIS	Human Resources Management Information System	RKC	Revised Kyoto Convention
HRTD	Human Resources & Training Department	RPP	Research Policy Planning
HS	Harmonised System	SADC	Southern African Development Community
ICT	Information & Communication Technology	SAP	Systems Applications & Products
IP	Internet Protocol	SARS	South African Revenue Service
IS	Information System	SMEDA	Small and Medium Enterprise Development Authority
ISO	International Organisation for Standardisation	SOP	Standard Operating Procedures
IT	Information Technology	SSR	Sir Seewoosagur Ramgoolam
ITAS	Integrated Tax Administration Solution	TECD	Taxpayers Education Communication Department
ITax	Income Tax	TPOS	Tax Portal On-line Service
MCCI	Mauritius Chamber of Commerce & Industry	TRC	Tax Residence Certificate
KPIs	Key Performance Indicators	VAT	Value-Added Tax
LTD	Large Taxpayers Department	WCO	World Customs Organisation
MaCCS	Mauritius Cargo Community System		



