



MRA in Rodrigues

Mr. Franceau Grancourt, Deputy Chief Commissioner of Rodrigues and Mr. Sudhamo Lal, Director-General, MRA

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EDITORIAL NOTE

Dear Readers,

The tourism industry in Rodrigues is flourishing. The renovation of two major hotels, Mourouk Ebony and Cotton Bay, and the advent of the brand new Tekoma Hotel, are timely.

'Gites' and 'Table d'hôtes', too, are contributing effectively to the development of the economy. These amenities, conceived with chosen elements portraying the specificities of Rodrigues, add to the multitude of restaurants offering delicacies of the Island.

The tourism industry in Rodrigues carries along with it the emergence of many more small and medium enterprises, particularly those embarked in the production of handicrafts and other products that represent a lucrative market.

The launching of a Coastwise Trade Application by the MRA on the Island will consolidate a database of all exports and imports to and from Rodrigues; information very useful in the analysis of trends in the decision-making process by authorities in Rodrigues and in Mauritius.

The reopening of the sea route for passengers to the Island looks imminent. Thus, the Port Terminal Area will regain its activities. These may include illegal ones like the intrusion of prohibited goods on the Island.

At the MRA, the security of the population in Rodrigues is of prime importance, and since we plan the future today, the Director-General inaugurated, at the beginning of this month, a Passenger Luggage Scanner at the Port Terminal Area, a two-million-rupee project.

MRA will continue to consolidate its partnership with Rodrigues with many more projects so as to enhance the effectiveness of border protection.

Editorial team

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Strengthening Border Protection:

MRA LAUNCHES A BRAND-NEW PASSENGER LUGGAGE SCANNER IN RODRIGUES

The month of April has witnessed a breakthrough in consolidating border protection. The Mauritius Revenue Authority (MRA) launched three key projects, namely the Passenger Luggage Scanner, Coastwise Trade platform, and MRA e-Learning Platform in Rodrigues this month. The inauguration of these innovative projects was made in the presence of Mr. Sudhamo Lal, Director-General, MRA and Mr. Johnson Roussety, Chief Commissioner of Rodrigues.

The Director-General also paid a courtesy call to the Deputy Chief Commissioner of Rodrigues, Mr. Franceau Aubret Grancourt, on Friday 07 April, 2023.

Passenger Luggage Scanner

A scanner was installed at the passenger terminal at Port Mathurin to scan passenger's luggage landing from vessels. The scanner enhances control at the port on Rodrigues.

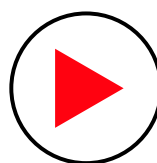


Mr. F. Grancourt, Deputy Chief Commissioner of Rodrigues and Mr. S. Lal, Director-General



From left: Mr. F. Grancourt, Deputy Chief Commissioner of Rodrigues, Mr. S. Lal, Director-General, MRA, Mr. V. Ramburun, Director, MRA Customs and Mr. A. Teeluckdharry, Asst. Director, Taxpayer Education and Communication Dept., MRA,

At Plaine Corail Airport, a new digital signage has been installed at the passenger arrival terminal to display a multitude of updated information to travelers.



Passenger Luggage Scanner

Coastwise Trade platform

Trade is the lifeblood of the economy. With a view to enhancing trade facilitation and consolidating border security, MRA Customs along with related stakeholders, namely the Mauritius Shipping Corporation Ltd (MSCL), the Associated Container Services Ltd (ACSL) and the Cargo Handling Corporation Ltd (CHCL) has developed a Coastwise Trade platform. This project enables the automation of import and export processes for coastwise trade and facilitates the retrieval of relevant statistics. This is where the future of customs actually lies.

Going one step further to ensure border protection, Coastwise trade is allied to importation and exportation from and to the Island of Rodrigues, the Island of Agaléga and the Island of St. Brandon. Mauritius exports to those islands an array of goods ranging from local products to imported goods. Mauritius also imports a few commodities from these islands. All stakeholders involved will be able to work on a single platform with facilities for the importer/exporter to have online access.

The actual import and export processes are performed manually and are bulky with lots of paperwork. All records are either in books, ledgers, forms or in excel formats, hence statistics or specific information are not readily available. As a result, the lack of reliable statistical data makes the decision-making process quite limited. But with the proposed new system, booking can be done online by exporters and the Customs Declaration will be automatically generated by the system. Thanks to this innovative project, reliable, accurate and timely information can now be obtained.



MRA e-Learning Platform

The MRA e-Learning Platform, officially launched on 26th January 2012, is based on WCO e-learning modules and aims at enhancing the uniform application of conventions, recommendations and other international customs provisions. This knowledge development tool is accessible to officers in Mauritius both on intranet and the internet.

However, MRA e-Learning platform was not accessible to MRA officers in Rodrigues due to lack of connectivity with the main server hosting the platform based at Custom House in Port-Louis.

With the recent enhancement of internet connectivity, in terms of speed and bandwidth, necessary configurations have been made to enable MRA Customs officers in Rodrigues to benefit from this important capacity building tool.



MRA reiterates its full commitment to providing a world class service to our stakeholders. And Rodrigues is no exception. At the very outset, Mr. Sudhamo Lal, Director-General, MRA, recalled his last visit to Rodrigues which dates back to 30 August, 2010. He, along with the then Minister of Finance, Hon. Pravind Kumar Jugnauth, inaugurated the new office of MRA in Rodrigues, at Clyderlex Building, in Port Mathurin.



In his keynote address, Mr. Sudhamo Lal underlined that *"the highly sophisticated Passenger Luggage Scanner will no doubt further arm MRA in the fight against the intrusion of dangerous and illicit products in the Island."* He further emphasized that MRA has a very important function to facilitate trade and ensure the swift flow of goods along the supply chain.

Mr. Lal mentioned that, in this digital era, MRA Customs is rightly leveraging technology to facilitate trade, implement effective controls, and enhance integrity through transparent procedures.

Speaking about the Coastwise Trade Application, he explained that this state-of-the-art project will automate the submission of coastwise customs declarations that is currently made manually on prescribed forms linking them to the existing systems of the two main stakeholders, the Mauritius Shipping Corporation Ltd (MSCL) and the Associated Container Services Ltd (ACSL).

Mr. Lal commended the Rodrigues Regional Assembly for being at the origin of this project. This emanates from the request made to the Ministry of Finance, Economic Planning and Development to have more accurate, reliable and instant statistics that will be used for strategic socio-economic development in Rodrigues.

MRA is a responsible organization and values its people. *“Our employees represent a precious asset that helps us to achieve our vision and provide a world-class service to our stakeholders. We are fully committed to providing the proper working environment to enhance employee satisfaction”,* said the Director-General of the MRA. In this perspective, all MRA office amenities in Rodrigues have been upgraded and ICT connectivity has been enhanced. These amenities will make MRA officers more productive and service oriented.



Mr. Vivekanand Ramburun, Director, MRA Customs

For his part, Mr. Vivekanand Ramburun, Director, Customs Department emphasized that MRA is pursuing its fight against drug trafficking. On this score, he concluded that *“MRA is modernizing its operations by making use of new technologies to improve border protection in Mauritius and in Rodrigues.”*

Certificate of Merit

WCO Certificates of Merit were awarded to stakeholders who have been partnering in an effective manner with MRA. The names of the awardees are as follows:

- **Mr. Nicles BEGUE** - Operations Manager - Associated Container Services Ltd (ACSL) / Port Associated Portage Operations, Lighterage and Cargo Services (PAPOLS),
- **Mr. Swaraj SOOROOJBALLY** - Officer in charge - Mauritius Ports Authority (MPA),
- **Mr. Joseph Jeperle CASIMIR** - Manager Operations/General Agency - Mauritius Shipping Corporation Ltd (MSCL),
- **Mrs. Marie Elinda MILAZAR** - Acting Senior Postal Executive/ Officer in charge (OIC) - Mauritius Post Ltd,
- **Mrs. Gail LEONG KYE** - Airport Manager - Airport of Rodrigues Ltd (ARL)
- **Mr. Jean Dominico MARIANNE** - Technical Officer, Mauritius Revenue Authority (MRA)



Working session



Mrs. Nily Bunwaree, Director, Finance and Administration, MRA

A working session was held at Customs Outpost on Saturday 08 April 2023 in Port-Mathurin.

In her presentation, Mrs. Nily Bunwaree, Director, Finance and Administration Dept. at the MRA, pointed out that the two offices at Clyderlex Building have been renovated at a cost of Rs. 1.1 M.

A luggage scanner costing Rs. 2 M has been installed at the Port-Mathurin Passenger Terminal, she added. All these investments aim to improve services.

Taxpayer education in Rodrigues

Taxpayer education is a vital tool to boost the willingness of individuals and businesses to voluntarily pay tax.

With an objective to instilling a tax culture based on voluntary compliance, MRA has since its inception set up a dedicated department, namely, the Taxpayer Education and Communication Department (TECD) within its organizational structure. TECD promotes tax compliance through taxpayer education. Its education strategy is multi-scaled, comprising educational sessions for large taxpayers, SMEs, students and the population at large.

Mr. Amick Teeluckdharry, Assistant Director, TECD, underlined that *"MRA has a better presence in Rodrigues through Rodrigues FM and TV Rodrigues, thanks to the production of a range of programmes on customs and tax obligations and the various financial assistance programmes implemented by MRA. Some of the programmes are tailor-made to meet the specificities of the population in Rodrigues."*



The aim of the education and communication initiatives is to bring, in the long run, a secular shift in the attitude from *'an obligation to pay'* to *'a willingness to do so'*.

"Through a comprehensive strategy, TECD has been capitalising on all the various multi-media channels in Mauritius and in Rodrigues to educate taxpayers", Mr. Teeluckdharry added.



Rodrigues Development Zone

In his presentation, Mr. Nagheeb Dookhee, Section Head, Deferral Regimes, at MRA elaborated on the Rodrigues Development Zone (RDZ).

"By virtue of Section 116A of the Customs Act, a Special Customs Regime applies to Rodrigues - different from the one on the Island of Mauritius. This section, which makes of Rodrigues a Special Development Zone, was introduced in the year 2000 by way of the Finance Act. Under this Special Regime, specified goods imported for sale in Rodrigues - except alcoholic beverages, cigarettes and tobacco products, and furniture among others - are not subject to customs duty."

However, excise duty and VAT are chargeable before shipment to the Island of Rodrigues.

Mr. Dookhee underlined that goods traded with Rodrigues are categorized into two distinct groups:

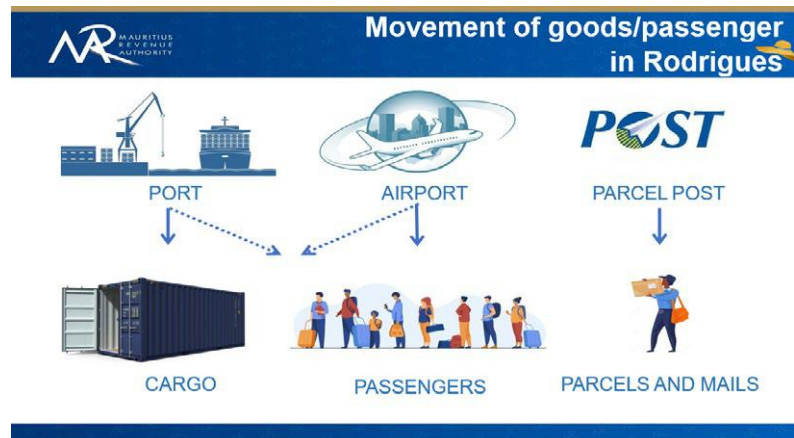
Specified Goods

Dutiable goods other than goods listed in the 1st Schedule of the Customs Act -

- Goods exempted of Customs Duty
- Goods where Excise Duty & VAT are payable
- Goods transferred to Rodrigues under customs control
- Goods returned to Mauritius on which Duty and VAT are payable

Non-Specified Goods

- Goods that are listed in the 1st Schedule of the Customs Act, including locally produced goods
- Goods on which Duty, Excise duty and VAT, if applicable, are paid in Mauritius prior to transfer to Rodrigues
- Goods where no customs control is required



Challenges for MRA in Rodrigues



Mr. John Dominico Marianne,
Technical Officer, Deferral
Regimes, MRA Customs

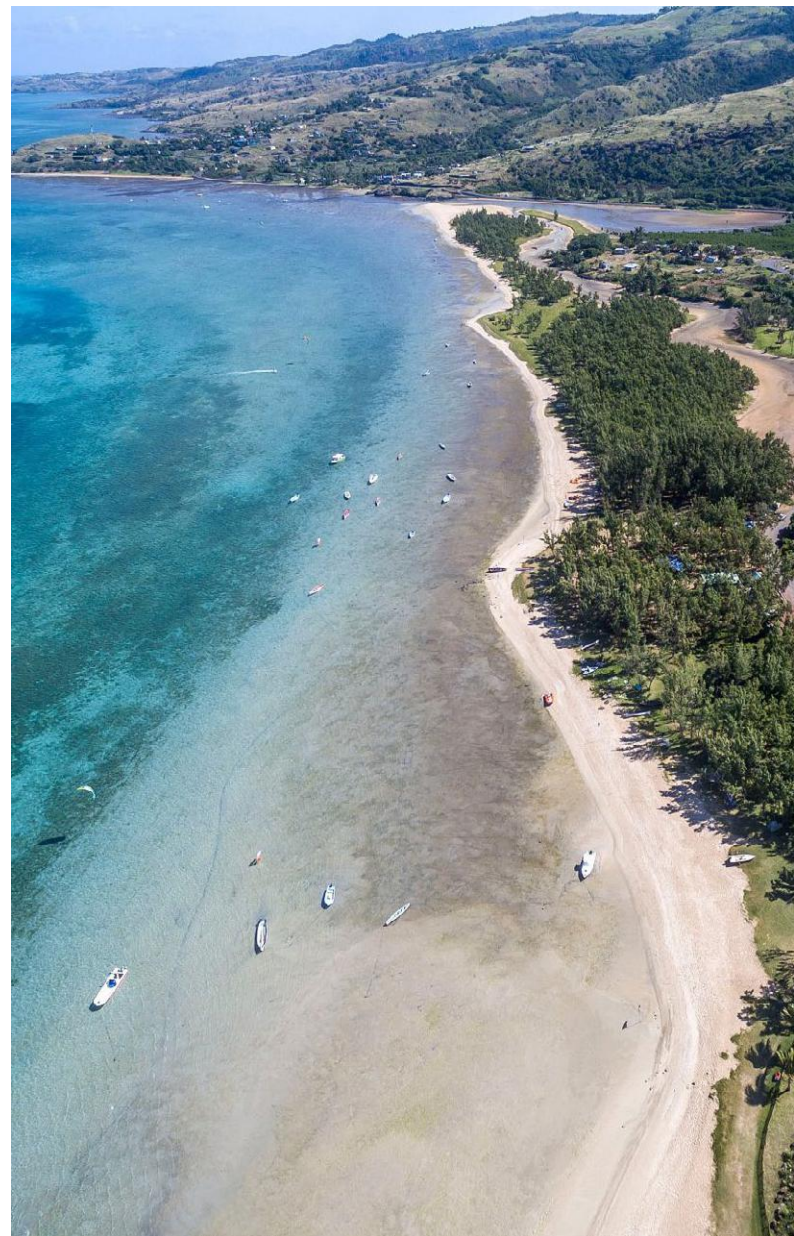
Mr. John Dominico Marianne, Technical Officer, Deferral Regimes, MRA Customs, also in charge of the MRA Rodrigues desk, commended the initiative of the Director-General, Mr. Lal to further improve the quality of the various services offered by MRA in Rodrigues. He proposed that "an exchange of MRA staff should be organised between Rodrigues and Mauritius to mutually share the experience of both parties".

Revenue collected in Rodrigues

Mrs. Saraspadee Virasami, Section Head, Medium and Small Taxpayers Department (MSTD), MRA, underlined that the setting up of the MRA Office in Rodrigues has largely contributed to the increase in revenue collected. The results so far are promising. For June 2022 v/s June 2021, a growth of 12% was noted in total revenue collected in Rodrigues.

However, Value Added Tax (VAT) collection recorded a fall of 10% over the corresponding period of last year.

In view of MRA's objective to promote cooperative compliance, field audits at taxpayers' business premises will be conducted on a more regular basis in Rodrigues.



<i>Revenue collected</i>			
<i>Category</i>	<i>FY 2007/2008</i>	<i>Jul 2020 to Jun 2021</i>	<i>Jul 2021 to Jun 2022</i>
Income Tax	Rs 6.1M	Rs 22.7M	Rs 27.3M
VAT	Rs 16.6M	Rs 37.4M	Rs 33.5M
PAYE	-	Rs 31.2M	Rs 41.4M
TOTAL	Rs 22.7M	Rs 91.3M	Rs 102.2M

Pre-Budget Consultations 2023-2024:

FRUITFUL MEETING BETWEEN DR. THE HON. RENGANADEN PADAYACHY, AND MRA'S MANAGEMENT TEAM

In the context of pre-budget consultations for 2023-2024, the Minister of Finance, Economic Planning and Development, Dr. the Hon. Renganaden Padayachy, met the Director-General of the MRA, Mr. Sudhamo Lal and his Management Team on 06 April 2023. The one-hour long symposium took place at MRA Head Office, Ehram Court, Port-Louis. It was a fruitful consultation.

The objective of the pre-budget consultative meeting was to make an "exposé" to the Minister of Finance, on Tax Administration and Tax Policy proposals, which, according to Mr. Lal, could contribute to sustaining the economic growth in the country. Hence, building a stronger economic resilience.

Dr. the Hon. Renganaden Padayachy commended MRA for the prompt implementation of various schemes and budgetary measures to help the entire population of the Republic of Mauritius. The Minister relies on the unwavering support of MRA this year also. He is confident that future measures will also be implemented effectively like before.

At the end of the meeting, Mr. Lal remitted a copy of MRA's Integrated Annual report 2021/22 to Dr. the Honourable Renganaden Padayachy.

The Report was submitted in accordance with Section 9 of the Statutory Bodies (Accounts and Audit) Act, which regulates the accounts and audit of statutory bodies.

The MRA Integrated Annual Report 2021/22 provides a retrospect of the main achievements as well as the challenges encountered by MRA during the year.

This document can be accessed on MRA website via the following link: www.mra.mu



Economic Development and Taxation Policy in the Vedic System: DR. SISHPAL SHARMA MEETS MRA MANAGEMENT TEAM

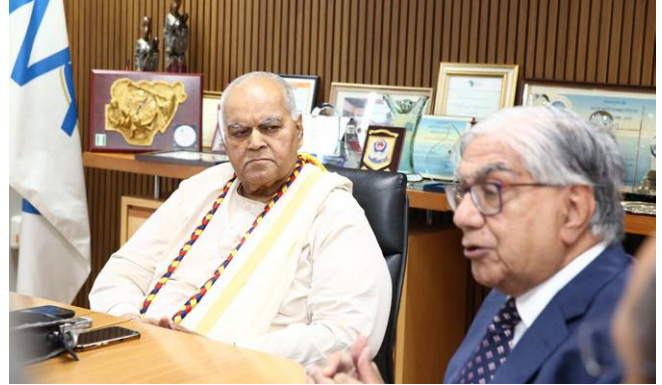
The Mauritius Revenue Authority (MRA) organized a talk entitled "Economic Development and Taxation Policy in the Vedic System" on Wednesday 12 April, 2023. The resource person was Dr. Sishpal Sharma, from India. This event saw the participation of MRA management team, at Eham Court, Port-Louis.

At the very outset, Mr. Sudhamo Lal, Director-General of the MRA underlined that taxation, revenue and economic development were interrelated concepts during Vedic times. The Kautilya tax system, according to him, refers to the prosperity of the King (rulers/ Raja Ram) and the Arthashastra is full of importance to modern times.

Dr. Sishpal Sharma spoke on Artha (economic values), Kama (pleasure), Dharma (righteousness, truth), and Moksha (liberation).

According to Dr. Sishpal Sharma, Arthashastra provides comprehensive instructions on the techniques of governance. The Arthashastra deals with the various aspects of governmental administration and execution, he observed.

Social welfare is the main focal point of Kautilya's economic notions. The prerequisite of the state was to help the poor and to be proactive in contributing to the welfare of its citizens. Dr. Sishpal Sharma further explained that "Lord Rama was very sensitive to the needs of those who earned very little. Thus, he made commodities easily accessible to them". He concluded that tax education is vital to ensure voluntary tax compliance.



Arthashastra: the economic science

In the famous epic, Arthashastra, Kautilya identifies the power of the ruler on these seven factors: the qualities of the king, the qualities of his ministers, his provinces, his city, his treasury, his army, and his allies. The objective of the Arthashastra was to instruct the king on how to revamp the qualities of these factors and undermine those of his enemies.

Because of its growing relevance in society, Kautilya preferred a surge in the tax base, not in the tax rate.

His discussion on taxation gave an idea of three ideologies: taxation power is limited, taxation should not be heavy, and a rise in tax should be moderate. He endorsed a system of tax collection in such a way that it can increase the permanent revenue-yielding capacity of the economy.

He advocated indirect taxes like excise duties and customs duties, and direct taxes like income tax on individuals, wealth tax, and corporate tax.

Kautilya implicitly recommended a linear income tax. He emphasized fairness, stability of tax structure, fiscal federalism, avoidance of heavy taxation, ensuring of tax compliance, and subsidies to encourage capital development. To conclude, the Arthashastra can be valuable to exemplify contemporary economic thoughts.

Quote

"A ruler who administers justice on the basis of four principles: righteousness, evidence, history of the case, and the prevalent law, shall conquer the earth", Kautilya.

Public Awareness:

MRA CAMPAIGNS FOR THE MONTH OF APRIL

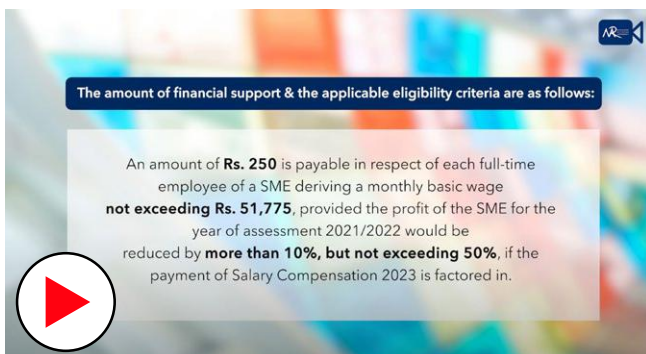
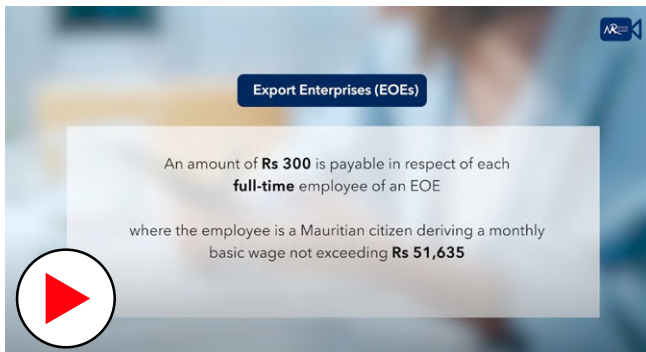
In a bid to maintain a close proximity with its stakeholders, MRA has broadened its presence on various platforms and channels. It has also engaged taxpayers on social media such as **Twitter, Facebook, LinkedIn** and **YouTube**.

As part of its communication strategy, MRA issues leaflets, brochures, guidance notes and other publications. It uses technology to produce and upload short instructional videos on its YouTube channel to simplify often complex tax laws to encourage its stakeholders to meet their fiscal obligations as and when they fall due.

Five explanatory videos have been produced in-house by the Taxpayer Education and Communication Department (TECD) of MRA this month.

The MRA encourages the public in general to view the latest videos available on MRA website: www.mra.mu and click on the video gallery.

A complete list of the MRA videos can be accessed through the YouTube icon on the MRA website.



Rodrigues

As from 04 April, 2023, a series of radio and television programmes on topics pertaining to taxation and customs matters are being broadcast in Rodrigues through the local radio and TV channels on the Island, namely: Rodrigues FM and TV Rodrigues. These programmes are complementary to those already broadcast by MBC TV in Mauritius and which are relayed simultaneously in Rodrigues.

Moreover, the following TV programmes were broadcast on TV Rodrigues during the month of April: a 26-minute programme on 'Prime à l'Emploi', a 13-minute programme on the 15 years of MRA, entitled: MRA - Positioned to meet Challenges Ahead, a 13-minute programme on the projects launched by MRA customs and a 52-minute programme on International Taxation.

Additionally, **20 'one-minute radio programmes'** were aired on Rodrigues FM.

Mauritius

Tax Officials have also participated in TV and Radio programmes providing explanations on relevant tax and customs issues.

The MRA made **84 radio interventions, 20 'one-minute radio programmes'** and **2 news reports** in April.

MRA uses communication campaigns, taxpayer mailing lists, and attend queries via email and phone calls to ensure taxpayers have a clear understanding of tax, Customs and MRA Financial Assistance.

All these initiatives add to the Word-of-Mouth (WOM) in the dissemination of information on topics of the day.

Undoubtedly, with all these awareness campaigns, taxpayers are better informed on the various projects and services offered by the MRA.

Border Protection:

TWO DRUG SEIZURES MADE BY MRA THIS MONTH

Since its inception in 2006 to date, the Customs Department of the MRA has been in the forefront and has successfully detected drugs at the airport. Drug seizures are made possible by state-of-art scanners, sniffer dogs and, more importantly, human intervention. MRA Customs Officers are deployed in every corner of the airport to discreetly spy on the movements of suspected passengers.

The Customs Anti-Narcotics Section (CANS) team is also deployed in the Green Channel.

This month, MRA has made two drug seizures. On Monday, 17 April 2023, at a Courier Service, 1.028 kilograms of synthetic drugs worth approximately Rs. 15,420,000 was seized. The drug arrived in Mauritius from China.

The courier consignment, declared as pearlescent powder, was scanned by the Customs Anti-Narcotics Section (CANS) of the MRA.

Upon examination, the parcel, a carton box, was found to contain an aluminum sachet enclosing a plastic sachet which in turn contained a brownish powder suspected to be dangerous drugs.

A field test for Synthetic Cannabinoid was carried out on the substance and the result was positive. The case was referred to ADSU for further enquiry. During a controlled delivery exercise, one person was arrested.

The other seizure was made at the airport. On Thursday, 20 April 2023, MRA seized 1.829 kilograms of cannabis worth circa Rs 2.2 million, from a South African passenger at the SSR International Airport.

The passenger, who arrived in Mauritius on board South African Airways Flight - SA190 from Johannesburg, was intercepted by the officers of the Customs Anti-Narcotics Section (CANS) of the MRA while he was leaving through the Green Channel.

His luggage was scanned and upon examination, 11 puzzle boxes, wrapped in gift papers were found and each enclosed a plastic sachet containing a green leafy matter suspected to be Cannabis.

A field test for Cannabis was carried out on the substance and the result was positive. Moreover, K9 Sniffer dog "Orage", reacted positively to the exhibit. During a controlled delivery exercise, one person was arrested. The case was referred to the Anti-Drug and Smuggling Unit (Adsu) for further enquiry.

Members of the public are reminded that they may report suspected drug cases/ illicit activities to the MRA through the MRA Stop Drug Platform: www.mra.mu



1.028 kilograms of synthetic drugs worth approximately Rs. 15,420,000 seized at a Courier Service



1.829 kilograms of cannabis worth Rs 2.2 million seized at the airport

Dangerous Drugs Act

Drug trafficking is illegal. "Any passenger who unlawfully imports, exports or dispatches in transit any dangerous drugs (e.g., cannabis, cocaine, heroin, buprenorphine, subutex etc.) shall commit an offence and shall on conviction be liable to a fine not exceeding one million Rupees and to penal servitude (imprisonment)" as provided in the Dangerous Drugs Act 2000



DID YOU KNOW?

INTERESTING FACT

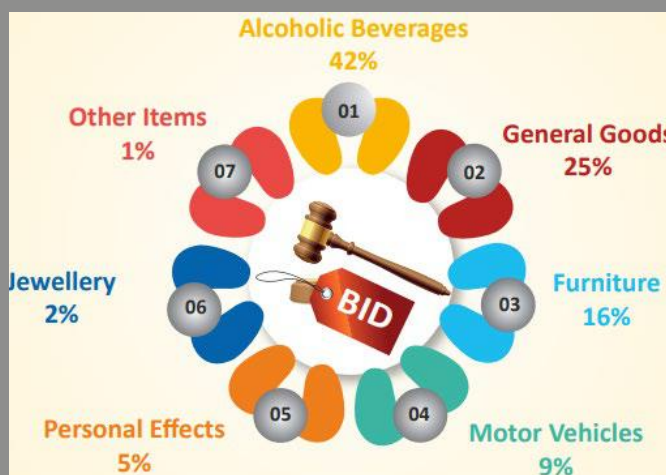
Online Auction System

MRA holds regular sales of abandoned/ unclaimed goods by Public Tender. To facilitate this process, MRA has a dedicated Online Auction System on its website.

Prospective bidders, other than those already registered, have to register on the Online Auction System by accessing the e-Auction Sales link on MRA website: www.mra.mu

The Integrated Annual Report 2021/22 underlined that the MRA Customs conducted a total of 23 e-Auction Sales exercises through the Online Auction System where a total sum of Rs. 2.3 million was collected.

For additional information on the Online Auction System, visit MRA website: www.mra.mu





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