

# Economics and Business Society- Newsletter (May/June 2024)

## Embarking on the Journey towards a Greener and More Sustainable Mauritius

*“The greatest threat to our planet is the belief that someone else will save it.”— Robert Swan*

Mauritius is one of the preferential destinations for tourists as we are known for our beautiful beaches and deemed by many as a paradise in the Indian Ocean positioning itself in the sub-tropical. Mauritius is facing many problems in this era, including the impact of climate change economically with spiking price of fruits and vegetables, floods in many regions with more intense cyclones like Belal, has led to chaotic and traumatic events for the population. Climate change may potentially cause the rise of sea levels in the upcoming years and this could cause a heavy impact on our tourism sector on which the Mauritian economy is much reliant.

Mauritius, as an island, has been contributing to mitigate the effect of climate change. In 2021, the government made a significant breakthrough by passing a new law which prohibits the usage of single use plastic. This step opened the door for many entrepreneurs as a business opportunity to ensure the provision of eco-friendly products as substitute.

Last year, the finance minister intervened in the 2023/2024 budget to address the whole nation to outline its spending and taxation plans for the year ahead. The measures that would be taken for a more eco-friendly and sustainable Mauritius are listed below:

- Companies moving to **100%** renewable energy will get a **50%** discount on increased electricity prices for the next two years.
- **75%** subsidy for manufacturing sector energy audits, with 30 cooperative societies undergoing pilot energy efficiency audits.
- Introduction of a carbon neutral scheme by the Central Electricity Board for the ICT industry.
- Implementation of renewable energy projects including floating solar PV systems, hydropower plants, and a pilot Ocean Thermal Energy Conversion power plant.
- Target to achieve a fully green bus transport system by **2035**, offering a **30%** subsidy up to Rs **3.5 million** for electric bus purchases and **2% loans** from the Industrial Finance Corporation of Mauritius.

Furthermore, Mauritius was invited by India to the G20 summit which was held in Delhi. The main subjects which were discussed were eco-friendly growth, climate change, climate finance, technological shifts and energy transitions. This was a platform where the country could bring to the forefront the inherent vulnerability and challenges faced by Small Island Developing States (SIDs). This summit is a step forward for many countries across the world; otherwise, the progress made by these developing countries will eventually go in vain. It is important that all nations cooperate to try to mitigate the effects of climate change through a transition to eco-friendly growth as we cannot turn a blind eye to what is forthcoming with its consequences if we continue to pollute the planet.

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