



Sustainable Finance Framework

Republic of Mauritius

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TABLE OF CONTENTS

1.	Introduction to Mauritius.....	3
2.	Mauritius Vision 2030.....	5
3.	Climate Change in Mauritius	8
3.1	Mauritius Nationally Determined Contribution (NDC).....	8
3.2	National Strategies and Policies to tackle Climate Change.....	9
4.	Socioeconomic Development in Mauritius.....	13
4.1	National Strategies and Policies to promote Socioeconomic Development.....	13
5.	Mauritius Sustainable Finance Framework.....	15
6.	Green, Social, Sustainability and Thematic Use of Proceeds Financing.....	17
6.1	Use of Proceeds.....	17
6.2	Process for Project Evaluation and Selection	25
6.3	Management of Proceeds	30
6.4	Reporting.....	31
6.5	External Review	33
7.	Sustainability-Linked Financing.....	35
7.1	Selection of KPIs	35
7.2	Calibration of SPTs	45
7.3	Characteristics of the Sustainability-Linked Finance Instruments	53
7.4	Reporting.....	55
7.5	Verification	55
8.	Disclaimer.....	56

1. INTRODUCTION TO MAURITIUS

The Republic of Mauritius (thereafter “Mauritius”) consists of two main islands, Mauritius and Rodrigues, as well as numerous islets such as Agaléga, Tromelin, Cargados Carajos and the Chagos Archipelago. The country has an Exclusive Economic Zone (EEZ) of approximately 2.3 million km². Mauritius is home to 690 native species of plants, of which 281 has been identified as being endemic. Between 2006 and 2016, 59% of plants have seen their status worsened while only 15% improved their status. Agriculture remains the primary land use at 43% followed by forest, scrubs and grazing land at 25%¹.

Given Mauritius’ tropical climate and geographical location, it is one of the most vulnerable countries impacted by climate change, including severe weather events and natural disasters such as cyclones, storms, torrential rains, floods, landslides, etc. According to the World Risk Report 2022², Mauritius is the 107th country with the highest climate disaster risks. Mauritius is also facing climate change-induced sea-level rises of the order of 5.6 mm per year and has witnessed beach erosion of nearly 20 metres over the past decade. Flooding is the second-largest risk in Mauritius after cyclones, which cause 20% of direct economic losses associated with disasters while the risk of flash floods has increased significantly as urbanisation and development cause the disruption of the natural drainage system. An analysis of the country’s disaster risk profile³ by the National Disaster Risk Reduction and Management Centre (NDRRMC) shows that on average, Mauritius will experience around USD 91 million in direct losses annually from winds, flooding and storm surge associated with tropical cyclones.

To counter the adverse impacts of climate change, Mauritius was one of the first countries to ratify the Paris Agreement and announced its first Nationally Determined Contribution (NDC) before the COP21 in 2015. The government has since updated its NDC in 2021 with more ambitious Greenhouse Gas (GHG) emissions reduction targets. The updated NDC is aligned with Mauritius’s climate strategies and legislations, such as the National Climate Change Adaptation Framework Policy, Climate Change Act 2020, National Disaster Risk Reduction and Management Policy 2020-2030, and Mauritius Vision 2030. Notably, the Mauritius government has committed to phase out the usage of thermal coal by 2030.

In September 2015, Mauritius adopted the United Nations (UN) 2030 Agenda for Sustainable Development and committed to achieving the UN Sustainable Development Goals (SDG) by establishing its Vision 2030 Strategy. The Mauritius government aims to achieve equitable growth and promote an inclusive society with the eradication of poverty

¹ 2005 figures published by [Statistics Mauritius](#) in the Digest of Agricultural Statistics

² [World Risk Report 2022](#)

³ Republic of Mauritius, Disaster Risk Management: A Capacity Diagnosis (2020), RoM, Cadri Partnership, Mauritius

as one of its key objectives, particularly for the most vulnerable groups such as people with low education, the elderly, single-parent households, families with three or more children and women.

2. MAURITIUS VISION 2030

*Vision 2030 – Transforming Our Future for the Better*⁴ was launched in 2015 with the key objective of putting Mauritius into the league of high-income economies by 2030. Four key focus areas were identified:

- (a) Address Unemployment
- (b) Alleviate, if not eradicate, poverty
- (c) Open up the country and implement new air access policies.
- (d) Foster sustainable development and innovation

To that end, Vision 2030 is underpinned by a series of action plans as set out in the Mauritius government's three-year strategic plans. In the latest strategic overview 2022-2025⁵ and laid out under Mauritius' government budget 2022-23⁶, the Mauritius government has set out its mission and strategic action plans across key sectors, some of which are outlined below:

Sector	Mission
Education	<ul style="list-style-type: none">• Foster a knowledge-oriented, cohesive, inclusive, and productive society and ensure continuity of teaching and learning• Promote holistic and inclusive education• Create an enabling environment for technical and higher education, science and technology
Social Integration, Social Security and National Solidarity	<ul style="list-style-type: none">• Enhance social protection and promote national solidarity• Provide empowerment support to persons with disabilities, elderly persons, vulnerable groups, and local communities to improve their quality of life
Industrial Development, SMEs and Cooperatives	<ul style="list-style-type: none">• Support growth and development of the industrial sector, small and medium enterprises and cooperative sector for employment and wealth creation• Foster emergence of innovative, technology-led, sustainable and globally competitive enterprises
Labour, Human Resource Development and Training	<ul style="list-style-type: none">• Promote decent work by supporting employers and workers to create a safe, conflict-free and productive workplace• Facilitate access to gainful employment underpinned by skills development programmes
Health and Wellness	<ul style="list-style-type: none">• Provide quality and accessible patient-centred public health services and pursue medical excellence• Promote healthy lifestyles and the well-being of the population

⁴ [Mauritius 2030 Vision](#)

⁵ [Mauritius Medium Term Strategy 2022-25](#)

⁶ [Mauritius Budget Speech 2022-23](#)

Sector	Mission
Housing and Land Use Planning	<ul style="list-style-type: none"> Facilitate access to decent, safe, affordable and ecological residential units within green conscious communities Ensure land is used optimally to support economic growth and social inclusiveness while protecting the environment and enhancing green learning
Gender Equality and Family Welfare	<ul style="list-style-type: none"> Enhance well-being of families through the promotion of gender equality and the protection of the rights of children Foster community-based programmes for the empowerment of citizens
Finance, Economic Planning and Development	<ul style="list-style-type: none"> Promote sustainable economic and social development of the country and improve the well-being of the population Ensure optimal revenue mobilisation and the effective allocation of financial resources
Tourism	<ul style="list-style-type: none"> Position Mauritius as premium destination in traditional, emerging and opportunity markets Enhance the visibility of Mauritius as a leading and sustainable island destination Maintain inclusiveness, greening and sustainability in tourism development
Disaster Risk Management	<ul style="list-style-type: none"> Provide efficient and quality local services to improve the well-being of the community Provide timely weather forecasting and climate services, effective disaster management to build a disaster resilient nation and timely response to fire and rescue incidents
Land Transport and Light Rail	<ul style="list-style-type: none"> Develop modern, safe, reliable and efficient land transport system for improved connectivity and mobility of people and goods
Energy and Public Utilities	<ul style="list-style-type: none"> Ensure energy security, encourage the use of cleaner energy, and promote the efficient use of energy Ensure water security, safe disposal of wastewater and peaceful application of ionising sources and nuclear technology
Environment, Solid Waste Management and Climate Change	<ul style="list-style-type: none"> Achieve a cleaner, greener, low-emission and climate change resilient economy Enshrine environmental conservation and protection in the culture of citizens and organisations Ensure sustainable management of solid and hazardous wastes by adopting a circular economy approach focusing on waste segregation, resource recovery and recycling
Argo-industry and Food Security	<ul style="list-style-type: none"> Enable and facilitate the development of agriculture, agro-forestry, and agro-processing for sustained food security and safety in the face of climate change Protect and conserve the country's biodiversity
Blue Economy, Marine Resources, Fisheries and Shipping	<ul style="list-style-type: none"> Optimise the potential of the EEZ of Mauritius in a sustainable manner and develop the Blue Economy as a new growth pillar

Sector	Mission
Infrastructure and Community Development	<ul style="list-style-type: none"> • Provide a framework conducive to the growth of the construction industry, and to ensure all government buildings and roads are constructed and maintained in line with eco-friendly international norms, standard and practices • Enhance the quality of life and protect the population from flooding and natural disasters
Information, Technology, Communication and Innovation	<ul style="list-style-type: none"> • Become a highly connected, innovation-driven and competitive nation by boosting the digital economy and promoting the use of information technology in every sector of activity and across all sections of the population

3. CLIMATE CHANGE IN MAURITIUS

3.1 Mauritius Nationally Determined Contribution (NDC)

Mauritius was one of the first few countries to submit its Intended Nationally Determined Contributions (INDC) to the United Nations Framework Convention on Climate Change (UNFCCC) on 28 September 2015 ahead of the COP21. The INDC was complemented by the NDC Action Plan prepared in February 2016. The first INDC includes a target to reduce GHG emissions (including Land Use, Land Use Change and Forestry) by 30% by 2030 versus the Business-As-Usual (BAU) scenario of around 6,900 ktCO_{2e}.

In 2021, Mauritius updated its NDC⁷ with a more ambitious target to reduce GHG emissions by 40% by 2030 as compared to the BAU scenario. This target has been significantly enhanced versus the 2015 NDC target. In developing the updated NDC, the government has considered a just transition of the workforce and the creation of quality jobs in accordance with Mauritius' nationally defined development priorities, focusing on green recovery and growth. To achieve the target, the Mauritius government plans to implement the following measures across six key sectors:

Energy

- Production of 60% of energy needs from renewable energy by 2030
- Strategic plan will be prepared for the development and deployment of green hydrogen in various sectors
- Phase out of coal before 2030 and development of biomass framework
- Increase in energy efficiency by 10% by 2030 (2019 baseline)
- Mandatory energy labelling extended to television sets, washer dryers and tumble dryers

Transport

- Extension of the light rail network to modernise and upscale the public transport system by 2022
- Increase subsidies for purchase of electric vehicles
- Achieve a fully green and clean bus transport system by 2035

Waste

- Diversion of 70% of waste from landfills by 2030 through composting plants, sorting units, biogas plants, waste-to-energy plants, and employment of anaerobic digestion

⁷ [Mauritius Updated NDC 2021](#)

Industrial Processes and Product Use

- Implement minimum energy performance standards for air conditioners by 2024
- 10% reduction in GHG emissions of HFCs by 2030 versus business-as-usual

Agriculture

- Set up pilot biogas units
- Adopt smart agricultural practices such as natural farming systems, agro-forestry, and the promotion of efficient irrigation techniques

Land Use, Land Use Change and Forestry

- Massive planting of trees in Mauritius and Rodrigues
- Restoration and plantation of native forests in line with the National Biodiversity and Action Plans 2017 to 2025
- Plantation of mangroves

3.2 National Strategies and Policies to tackle Climate Change

Since the ratification of the Paris Agreement in 2015, Mauritius has committed to combating climate change through the implementation of comprehensive strategies and policies on climate change mitigation and adaptation, with several new strategies and policies being established more recently.

On 28 November 2020, the Climate Change Act⁸ was gazetted and entered into force on 22 April 2021. Under the Act, the Ministry of Environment, Solid Waste Management and Climate Change is responsible for the implementation of commitments to ensure compliance with the international climate change agreements. An inter-ministerial Council on Climate Change was formed to establish national objectives, goals, and targets while a Climate Change Committee was set up to enable multi-stakeholder participation for the preparation of national climate change strategies and action plans for mitigation and adaptation.

The Mauritius Ministry of Environment, Solid Waste Management and Climate Change published a Master Plan for the Environment (2020 to 2030)⁹ in 2020, after a two-year extensive consultation with key stakeholders. The Master Plan guides the nation in its transition to a high income, inclusive and green society across both mainland Mauritius

⁸ [Mauritius Climate Change Act 2020 \(Act No. 11 of 2020\)](#)

⁹ [Mauritius Environment Master Plan \(2020 to 2030\)](#)

and Rodrigues Island. The Master Plan is a blueprint to develop and put in place overarching policies and strategies to address systemic issues from wide-ranging socioeconomic root causes beyond nature's capacity, thematic policies, and strategies to address the nation's environmental issues and specific policies or strategies that need operational solutions such as changes to the environmental legislation.

Other sector specific national strategies have also been established to support the implementation of the various measures across the six key sectors in order to achieve Mauritius' NDC target. For example, the Renewable Energy Roadmap 2030¹⁰, first published in 2019 was revised in 2022 to introduce new measures to achieve the 60% target of renewable energy in the electricity mix by 2030. A National Electric Vehicle Roadmap 2030¹¹ was introduced to prepare the market conditions for the sustainable integration of electric cars.

3.2.1 Climate Change Adaptation

The Mauritius government established its first National Climate Change Action Plan in 1998, which was superseded by a more comprehensive National Climate Change Adaptation Policy Framework¹² (NCCAPF) in 2012, later updated in 2021. The NCCAPF places the nation's goals for climate change adaptation and mitigation at the core of the development of strategies and policies across sectors and aims to increase the nation's resilience to climate change by:

- (a) Fostering the development of strategies, plans and processes to
 - i. Avoid, minimise, or adapt to the negative impacts of climate change on key assets such as agriculture, water, fisheries and ecosystem
 - ii. Avoid or reduce damage to human settlements and infrastructure caused by climate change
 - iii. Build capacity to understand, analyse and react in a timely manner in the wake of future climate change impacts within Mauritius

- (b) Integrating and mainstreaming climate change adaptation into core national development policies, strategies, and plans

¹⁰ [Mauritius Renewable Energy Roadmap 2030](#)

¹¹ [Mauritius Electric Vehicle Roadmap 2030](#)

¹² Summary of the policy framework is available in [Mauritius Update NDC 2021](#)

To achieve the two objectives, the Mauritius government established priority adaptation actions for the following strategic sectors:

Sector	Priority Adaptation Actions
Infrastructure	<ul style="list-style-type: none"> Enhance the protection of infrastructure against climate change calamities
Disaster Risk Reduction Strategy	<ul style="list-style-type: none"> Understand disaster risk, implement disaster risk strategies, strengthen management of related governance, and invest in resilience
Coastal Zone Management	<ul style="list-style-type: none"> Improve awareness, enhance rehabilitation and strengthen regulatory framework for the protection of beaches, dunes, and vegetation
Water Resources Management	<ul style="list-style-type: none"> Improve forecasting, management protection and quality of water resources, including upgrading and building of new treatment plants and reservoirs and reducing water losses in the distribution system
Rainwater Harvesting	<ul style="list-style-type: none"> Procurement and installation of rainwater harvesting systems Improvement in policy, legal and regulatory water framework on mainland Mauritius, Rodrigues and other outer islands
Desalination	<ul style="list-style-type: none"> Small desalination projects, especially for Rodrigues island
Integrated Pest and Disease Management	<ul style="list-style-type: none"> Develop an integrated strategy and policy to foster adoption of integrated Pest and Disease Management (IPDM) practices including the review of policy and regulatory framework to facilitate the upscaling of IPDM technology and regulate the use and disposal of pesticides
Efficient Irrigation Techniques Development	<ul style="list-style-type: none"> Investment in water infrastructure to support irrigation projects and the development of a policy framework to enhance access to, and productive use of water in the agricultural sector. Promote climate smart agriculture practices
Climate Smart Fisheries	<ul style="list-style-type: none"> Development and implementation of sustainable fishing management plans Strengthening of institutional capacity and adaptation of infrastructure (quay) to climate change (sea level rise)
Improve Marine and Terrestrial Biodiversity Resilience	<ul style="list-style-type: none"> Improvement of the management of marine and terrestrial protected areas and expansion of the protected area network including rehabilitation of wetlands, seagrass, mangrove plantations Increase in tree coverage areas and coral reef rehabilitation/farming
Health Sector	<ul style="list-style-type: none"> Mainstreaming climate change adaptation in the health sector to respond to population increase and its additional climate-related health burden

- Develop and implement a communication, education and awareness strategy with respect to climate change risks and impacts on human health
 - Improve surveillance of diseases associated with climate change and develop and implement a decentralised alert and rapid response mechanism
-

As part of the priority adaptation actions, the National Disaster Risk Reduction and Management Policy¹³ was established in 2020, alongside the associated National Strategic Framework and National Action Plan, outlining the nation's approach to disaster risk reduction and management until 2030.

To ensure a sustainable management of ecosystems and conservation of the biodiversity in Mauritius, the government implemented the Protected Area Network Expansion Strategy (PANES) 2017-26¹⁴ and the National Biodiversity Strategy and Action Plan (NBSAP) 2017-25¹⁵. The PANES is aimed to strengthen the management of protected areas, restoring critical areas of ecological importance and safeguard ecosystems. The NBSAP sets out five key strategic objectives including the reduction of biodiversity loss, promoting sustainable usage of natural habitats and resources, safeguarding ecosystems, knowledge management and capacity building.

¹³ [Mauritius National Disaster Risk Reduction and Management Policy 2020 - 2030](#)

¹⁴ [Mauritius Protected Area Network Expansion Strategy \(2017 to 2026\)](#)

¹⁵ [Mauritius National Biodiversity Strategy and Action Plan \(2017 to 2025\)](#)

4. SOCIOECONOMIC DEVELOPMENT IN MAURITIUS

4.1 *National Strategies and Policies to promote Socioeconomic Development*

In line with one of the key objectives to eradicate poverty under the Vision 2030, the Mauritius government passed the Social Integration and Empowerment Act in 2016¹⁶ which makes provision for the setting up of Empowerment Support Schemes to combat absolute poverty for eligible households under the Social Register of Mauritius (SRM). To enable implementation of the schemes, the Marshall Plan Social Contract¹⁷ which serves as the main and foundational recommendation of the Marshall Plan was established.

The list of empowerment schemes includes:

Subsistence Allowance Scheme

- Financial support for beneficiaries living below the absolute poverty threshold defined on a per capita basis to ensure the basic needs of families are met
- The absolute poverty threshold is Rs 3,000 per month for an adult, Rs 1,500 per month for a child and up to a maximum of Rs 10,500 per month for a household

Crèche Scheme

- Provide an allowance in respect of children of households aged not less than 3 months nor more than 3 years as incentive for their admission into registered institutions and encourage unemployed mothers to take up employment or undergo training

Child Allowance Scheme

- Provide child allowance in respect of children of households to encourage them to attend school regularly
- Children must be aged not less than 3 years and not more than 23 years and must attend a registered school or educational institution

School Materials Scheme

- Provide school materials such as bags, uniforms, and shoes to children aged not less than 3 years and not more than 23 years

¹⁶ [Mauritius Social Integration and Empowerment Act 2016](#)

¹⁷ [Marshall Plan Social Contract](#)

School Premium Scheme

- Cash award for successful completion of certain levels of education in respect of children of households to incentivise them to pursue studies and achieve higher levels of education

Social Housing

- Full concrete housing units for families living in absolute poverty
- 10% of all new housing units constructed by the NHDC are earmarked for SRM beneficiaries
- Upgrading the housing scheme

The public health services in Mauritius are designed to ensure universal health coverage and healthcare has been free for residents since the country's independence. Likewise, to ensure equitable access to quality education, education is free for residents from pre-primary (public pre-primary schools are free whereas there are a number of private schools and a subsidy is provided to the children through the schools) to tertiary levels. Since 2005, secondary education is compulsory for all children up to the age of 16. Mauritius has a long-term vision to position Mauritius as a regional knowledge hub. The Tertiary Education Commission (TEC) was established in 2010 to promote, plan, develop, coordinate, and regulate tertiary education in Mauritius. It was later replaced by the Higher Education Commission (HEC) and the Quality Assurance Authority (QAA) in 2020. The HEC announced the new Strategic Plan 2022-2025¹⁸ which is aimed at transforming the higher education sector in Mauritius.

Mauritius is committed to tackling domestic violence, inequality and discrimination against women as well as protecting the rights of children. According to the Global Gender Gap Report 2021¹⁹, Mauritius was ranked 110 out of 156 countries worldwide (115 in 2020) and women continue to remain underrepresented in decision making positions such as company boards. The Mauritius government will introduce a Gender Equality Bill and is implementing the new National Gender Policy 2022-2030 to establish a clear vision and framework for a gender inclusive society. A national strategy to expand the scope of women entrepreneurship development is being formulated. To build resilience in children, the government plans to prepare an Early Childhood Development Policy and scale up the Foster Care Programme.

¹⁸ [Higher Education Commission Strategic Plan 2022 – 2025](#)

¹⁹ [World Economic Forum Global Gender Gap Report 2021](#)

5. MAURITIUS SUSTAINABLE FINANCE FRAMEWORK

Mauritius has established this Sustainable Finance Framework (“Framework”) under which the Ministry of Finance, Economic Planning and Development, acting on behalf of the Republic of Mauritius, intends to issue:

- Green, Social, Sustainability and Thematic Bonds, Loans or other debt instruments (collectively “Sustainable Use of Proceeds Finance Instruments”); or
- Sustainability-Linked Bonds, Loans or other debt instruments (collectively “Sustainability-Linked Finance Instruments)

Thematic issuance refers to Blue, Gender or other types of thematic labels focusing on specific environmental, social or sustainability objectives.

The Use of Proceeds Financing section of the Framework sets out how the Mauritius government intends to allocate financing towards specific areas in order to achieve Mauritius’ NDC target, 3-year strategic plan and Vision 2030. The Sustainability-Linked Financing section of the Framework reflects an enhanced commitment by the Mauritius government towards Sustainability by incorporating targets linked to the nation’s climate change agenda and higher education ambition in its debt instruments. This provides for an additional layer of accountability and transparency to the market.

6. GREEN, SOCIAL, SUSTAINABILITY AND THEMATIC USE OF PROCEEDS FINANCING

The Green, Social, Sustainability and Thematic Use of Proceeds Financing Framework is aligned with the International Capital Market Association (ICMA) Green Bond Principles (GBP) 2021 (with June 2022 Appendix I)²⁰, ICMA Social Bond Principles (SBP) 2023²¹, ICMA Sustainability Bond Guidelines (SBG) 2021²², Loan Market Association (LMA) Green Loan Principles (GLP) 2023²³ and LMA Social Loan Principles (SLP) 2023.²⁴

The Framework is structured according to the following 4 core components of the above principles as well as the recommendation regarding External Review.

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of proceeds
4. Reporting

The Framework may be revised or updated anytime to remain consistent with the sustainability strategy of Mauritius, best market practices and regulatory developments. For the avoidance of doubt, any future changes to the Framework may not necessarily apply to Sustainable Use of Proceeds Finance Instruments previously issued under this framework. The updates, if not minor or technical in nature, will be subject to the prior approval of the Ministry of Finance, Economic Planning and Development. Any revised framework will be published on the Ministry of Finance's website with the date of the update and replace this framework. A new Second Party Opinion will be obtained for a revised Framework.

6.1 Use of Proceeds

Mauritius commits to allocate an amount equivalent to the net proceeds of Sustainable Use of Proceeds Finance Instruments issued under this Framework to finance and/or re-finance, in whole or in part, Eligible Green and/or Social expenditures (collectively "Eligible Expenditures") which meet the eligibility criteria defined below.

Eligible Expenditures will include (but not limited to) direct or indirect investment expenditures, subsidies, tax expenditures, selected operating expenditures which may include R&D, education and training or other expenditures related to the day-to-day servicing of fixed assets to ensure continued and effective functioning.

²⁰ [ICMA Green Bond Principles \(GBP\) \(June 2021\) \(with June 2022 Appendix I\)](#)

²¹ [ICMA Social Bond Principles \(SBP\) \(June 2023\)](#)

²² [ICMA Sustainability Bond Guidelines \(June 2021\)](#)

²³ [LMA Green Loan Principles \(February 2023\)](#)


²⁴ [LMA Social Loan Principles \(February 2023\)](#)

Eligible expenditures may be financed through Special Funds which are established to fund specific planned expenditures. For example, the COVID-19 Projects Development Fund was established in 2020 as an investment programme to finance specific projects to mitigate the negative impact of the COVID-19 impacts. Eligible Expenditures which are financed through Special Funds must meet the eligibility criteria below.

Eligible Expenditures may include disbursements to any local authorities or government owned entities, but any projects earmarked for the disbursements will not be counted as eligible assets or expenditures by the local authorities or government owned entities should they participate in the capital markets to issue Sustainable Use of Proceeds Finance instruments. In case of co-financed projects with other stakeholders, Mauritius will only include its prorated share of financing.




Eligible Expenditures are limited to those that occurred no earlier than 2 budget years prior to issuance, the budget year of issuance and the 2 budget years following issuance.

6.1.1 Eligible Green Projects







Eligible Project Category	Eligibility Criteria	Contribution to UN SDGs ²⁵
Environmental Objective: Climate Change Mitigation		
Renewable Energy	<p>Expenditures for the development, acquisition, purchase, construction, maintenance, and connection of renewable energy as well as the manufacturing of related infrastructure or components:</p> <ul style="list-style-type: none"> • Solar Photovoltaic • Onshore and Offshore wind energy • Wave, tidal and ocean current energy • Hydropower²⁶ which meets any of the criteria below: <ul style="list-style-type: none"> - Lifecycle GHG emissions below 100gCO₂e/kWh for hydropower plants in operation before 31 December 2019 and below 50gCO₂e/kWh for hydropower plants in operation after 31 December 2019 - Power density greater than 5W/M² for hydropower plants in operation before 31 December 2019 and 10W/M² for hydropower plants in operation after 31 December 2019 - Electricity generation facility is a run of river plant and does not have an artificial reservoir • Bioenergy derived from biofuel or biomass with sustainable feedstock (bagasse and cane straw) or 	

²⁵ [17 UN SDGs](#)



²⁶ Hydropower plants larger than 25MW are excluded.

	<p>waste sources that do not compete with food sources or deplete carbon sinks. Crop based feedstock is excluded</p> <ul style="list-style-type: none"> • Green hydrogen or green ammonia including R&D²⁷ limited to the production of hydrogen using electrolysis limited to: <ul style="list-style-type: none"> - Lifecycle GHG emissions intensity at or below 3tCO₂e/tH₂; or - Powered entirely with 100% renewable energy • Integration of renewable energy into the power grid such as transmission and distribution networks, smart energy grids, smart meters • Renewable energy storage solutions 	
<p>Clean Transportation</p>	<p>Expenditures on low-carbon passenger or freight vehicles, public transportation and related infrastructure:</p> <ul style="list-style-type: none"> • Passenger vehicles, light commercial vehicles and public transportation with zero tailpipe emissions such as electric cars, electric lorries, and electric buses • Passenger vehicles and light commercial vehicles, with direct emissions below 50gCO₂e/p-km until 31 December 2025 and 0gCO₂e/p-km after • Public transportation with direct emissions below 50gCO₂e/p-km until 31 December 2025 and 0gCO₂e/p-km after • Electrified rail transportation for passenger and freight • Transportation infrastructure for vehicles with zero tailpipe emissions or non-motorised forms of transport (e.g. electrified railway, electric vehicle charging stations, cycling lanes) 	
<p>Green Buildings</p>	<p>Expenditures related to low carbon buildings and building related energy efficiency projects:</p> <ul style="list-style-type: none"> • Construction or acquisition of low-carbon residential and commercial buildings that meet at least 1 of the following criteria: <ul style="list-style-type: none"> - IFC EDGE (certified) - LEED min Gold - HQE min Excellent - BREEAM min Excellent - Africa Green Star min 5 stars • Renovation of existing buildings which lead to an improvement in energy efficiency by at least 	 

²⁷ Limited to 10% of net proceeds from any Sustainable Use of Proceeds Finance Instrument.

	30% or enable the building to achieve at least 1 of the building standards above	
Energy Efficiency	Expenditures related to improvements in energy efficiency: <ul style="list-style-type: none"> • Installation or maintenance of technologies and products in order to increase operational energy efficiency by at least 20% (excludes the financing or refinancing of projects or technologies designed or intended for processes that are inherently carbon intensive) • Installation of specific energy efficiency equipment targeting a lower consumption of energy such as more energy efficient windows, HVAC systems, LED lights etc. which are rated in the highest two classes (A+++ and A++) of the national energy efficiency label in Mauritius²⁸ 	
Environmental Objective: Sustainable Use and Protection of Water and Marine Resources		
Sustainable Water and Wastewater Management	Expenditures to improve water usage efficiency, promote water recycling and reuse: <ul style="list-style-type: none"> • Desalination plants operated on a reverse osmosis technology powered by electricity and have an average carbon intensity at or below 100gCO2e/kWh over the residual asset life • Procurement and installation of rainwater harvesting systems 	
Environmental Objective: Protection and Restoration of Biodiversity and Ecosystems		
Environmentally Sustainable Management of Natural Living Resources and Land Use	Expenditures related to sustainable management of natural living resources land use: <ul style="list-style-type: none"> • Afforestation, restoration and rehabilitation of degraded forests, certified under third-party schemes such as the Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC) or equivalent standards 	 
Terrestrial and Aquatic Biodiversity Conservation	Expenditures related to biodiversity conservation and protection of ecosystem: <ul style="list-style-type: none"> • Conservation and restoration of terrestrial and marine ecosystems and habitats (tidal marshes, seagrasses) and biodiversity such as wildlife, megafauna and endangered or threatened species • Climate smart fisheries and aquaculture projects certified under the Global G.A.P, Aquaculture Stewardship Council or Marine Stewardship 	 





²⁸ Mauritius' national energy efficiency label system under the [Mauritius Energy Efficiency Act](#) has 10 categories ranked from A+++ to G.

	Council, to reduce GHG emissions throughout the entire value chain and for carbon sequestration	
Environmental Objective: Pollution Prevention and Control		
Pollution Prevention and Control	<p>Expenditures to reduce air, water and land pollution:</p> <ul style="list-style-type: none"> • Purchase of equipment to counter oil spills in oceans, including floating tanks, heavy duty skimmers, power packs and sea booms • Afforestation projects within the context of the Greening Mauritius programme such as the planting of trees on major roads and motorways to increase carbon sink • Projects to reduce pollution of coastal or marine environments such as planting of mangroves • Construction, operation, maintenance and related R&D²⁹ of Waste-to-Energy facilities for the generation of electricity and/or heat subject to: <ul style="list-style-type: none"> - Lifecycle GHG emissions of the energy produced is below 100gCO₂e/kWh - In accordance with the Mauritius waste management hierarchy³⁰ and feedstock is municipal solid waste that will be sorted with organic waste composted and dry waste recycled • Waste reduction, recovery, sorting, and recycling and composting facilities in accordance with the Mauritius waste management hierarchy³⁰ 	
Environmental Objective: Climate Change Adaptation		
Climate Change Adaptation	<p>Expenditures to increase resilience and adaptive capabilities of Mauritius:</p> <ul style="list-style-type: none"> • Implementation of flood protection systems (excludes any renovation or retrofitting of flood defences), storm water systems and structures to protect against torrential rains and storm surges • Rehabilitation of beaches or landslide prevention projects along rivers or coastlines, countermeasure works to prevent slope failure 	

²⁹ Limited to 10% of net proceeds from any Sustainable Use of Proceeds Finance instrument

³⁰ [Mauritius Solid Waste Management Strategy 2022](#)



6.1.2 Eligible Social Projects

Eligible Project Category	Eligibility Criteria	Contribution to UN SDGs
Social Objective: Access to Essential Healthcare, Educaiton and Emergency Relief		
Access to Essential Services (Healthcare, Education and Emergency Relief)	<p>Expenditures to expand access to public, free, subsidised or non-profit health care and education services and infrastructure:</p> <ul style="list-style-type: none"> • Construction, maintenance or refurbishment of hospitals, clinics, healthcare centers, rehabilitation centers and elderly care facilities • Production of medical supplies, medical equipment, medicines and vaccines to be provided for all regardless of ability to pay in, in order to treat and prevent the spread of infectious diseases or health disasters • Construction, maintenance or refurbishment of schools, universities, or vocational training facilities <p>Expenditures to expand access to basic necessities, services and infrastructure during an emergency response:</p> <ul style="list-style-type: none"> • Projects related to an emergency response to a crisis which may be a natural disaster or health disaster. Example projects could relate to medical products and supplies, medical equipment, disease control services and vaccines, safe drinking water and sanitary facilities, temporary housing, food <p>Target Population: General public</p>	 
Social Objective: Access to Adequate Living Standards		
Affordable Housing	<p>Expenditures to ensure access to safe and affordable residential housing:</p> <ul style="list-style-type: none"> • Construction, maintenance, or renovation of social housing units under the National Housing Development Co (NHDC) Social Housing Program³¹ targeting families earning an income of up to Rs 30,000³² • Construction, maintenance or renovation of social housing units by the New Social Living Development³³ (NSLD) which was incorporated 	 

³¹ [NHDC](#)

³² [Household income eligibility criteria under the NHDC](#)

³³ [NSLD](#)

	<p>as a private company under the NHDC to deliver affordable housing to Mauritians</p> <ul style="list-style-type: none"> • Construction, maintenance or renovation of social housing units under the National Empowerment Fund (NEF)³⁴ which oversees a number of housing schemes targeting landowners and non-landowners who are eligible under the Social Register of Mauritius (SRM)³⁵. This includes the Fully Concrete Housing (FCH) scheme for owners of land/lessee of land, NHDC scheme for landless households, Upgrading Housing Scheme <p>Target Population: Beneficiaries eligible for the housing by the NHDC, NSLD and NEF Social Housing Programs or Housing Schemes</p>	
Social Objective: Decent Work and Economic Growth		
<p>Employment Generation and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises, including through the potential effect of SME financing and microfinance</p>	<p>Expenditures related to Micro, Small and Medium Enterprises³⁶ (MSMEs) and unemployed persons to generate employment and/or alleviate unemployment:</p> <ul style="list-style-type: none"> • MSMEs in Mauritius³⁷ • MSMEs owned by women (either (a) at least 51% of shares belong to women or (b) ownership is below 51% but at least 20% women and at least 1 women in senior management³⁸ and at least 30% of board of directors composed of women, where a board exists • MSMEs facing natural disasters or health pandemics • Government schemes to support unemployed youths (18 to 35 years old) and women (18 to 50 years old) in their first year of employment • Training, reskilling and apprentice programs for unemployed youths to improve their employability 	 






³⁴ [NEF](#)

³⁵ To assess eligibility for the SRM, Mauritius will first apply the Proxy Means Test (PMT) to identify eligible applicants who have registered in the SRM. The PMT method provides a formula for predicting the living standard of each household and based on demographic and socioeconomic characteristics (e.g. age, gender of head, number of kids/adults/elderly in the household) as well as housing conditions and asset ownership. A household will qualify for support under the SRM if upon assessment, both its PMT and total verified income is less than the poverty threshold. The poverty threshold effective since 1 July 2021: Rs 3000 for 1 adult and Rs 1,500 for one child, capped at Rs 10,500 for a household comprising 2 adults and 3 or more children.

³⁶ The [Mauritius Small and Medium Enterprises Act 2017](#) amended by the Finance (Miscellaneous Provisions) Act 2022 provides for the following definition: Micro – not more than Rs 10 million annual turnover; Small – more than Rs 10 million but not more than Rs 30 million annual turnover; Medium – More than Rs 30 million but not more than Rs 100 million annual turnover

³⁷ Mauritius is a small country and people are geographically mobile which means they can seek employment throughout the island; hence it is not practical to specify only a specific target area such as rural or low-income areas.

³⁸ CEO/COO/President/Vice President or equivalent levels per [IFC definition](#)

	<ul style="list-style-type: none"> Reskilling programs for unemployed persons (16 to 59 years old) to enable them to reintegrate in the labour market <p>Target Population: MSMEs, women, youths, unemployed persons</p>	
Social Objective: Social Inclusion		
Socioeconomic Advancement and Empowerment	<p>Expenditures to support the social integration and protection of the most vulnerable groups:</p> <ul style="list-style-type: none"> Financial grants to meet basic needs for eligible households in the Social Register of Mauritius (SRM) Financial grants to incentivise children to pursue education for eligible households in the SRM Investments to scale up foster care programme for children with varying needs due to physical, mental, behavioural and/or emotional conditions Projects to improve incomes and support knowledge and capacity building for small-scale farmers and artisanal fishers Bad weather allowance and similar financial grants for artisanal fishers to ensure a better quality of life for fishers and their families (bad weather day is defined as a day when the sea is moderate to rough) <p>Target Population: Beneficiaries eligible for the SRM³⁹, women, children, small-scale farmers (planters only)⁴⁰, artisanal fishers</p>	  
Social Objective: Food Security and Zero Hunger		
Food Security and Sustainable Food Systems	<p>Expenditures to facilitate the development of the agriculture sector for sustained food security and safety in the face of climate change:</p> <ul style="list-style-type: none"> Climate resilient agriculture practices focusing on sheltered farming systems, hydroponics and organic farming Introduce high yielding, high value produce and better performing varieties 	 

³⁹ To assess eligibility for the SRM, Mauritius will first apply the Proxy Means Test (PMT) to identify eligible applicants who have registered in the SRM. The PMT method provides a formula for predicting the living standard of each household and based on demographic and socioeconomic characteristics (e.g. age, gender of head, number of kids/adults/elderly in the household) as well as housing conditions and asset ownership. A household will qualify for support under the SRM if upon assessment, both its PMT and total verified income is less than the poverty threshold. The poverty threshold effective since 1 July 2021: Rs 3000 for 1 adult and Rs 1,500 for one child, capped at Rs 10,500 for a household comprising 2 adults and 3 or more children.

⁴⁰ The [Mauritius Small Farmers Welfare Fund Act](#) defines small farmer as a small planter or a small breeder. Small planters are defined as a planter (a) growing sugar cane, tea, tobacco or food crops, fruit and ornamental plants, or conducting sheltered farming on his land or on leased land, on an extent of not less than 10 perches but not more than 10 hectares or (b) growing a single crop on his land or on leased land, on an extent of less than 10 perches, provided that the land is under intensive cultivation. For avoidance of doubt, tobacco related financing is excluded.

	<ul style="list-style-type: none"> • Projects to improve the sustainability of the fishing industry with a focus on artisanal fishers • Expand facilities for the production of seeds to ensure continued local production • Develop additional bee reserve zones and training for beekeepers <p>Target Population: Small-scale farmers (planters only)⁴⁰ and artisanal fishers</p>	
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6.1.3 Exclusions

Any financing and/or re-financing related to the following projects will be excluded from the portfolio of Sustainable Use of Proceeds Finance Instruments:

- Fossil fuel extraction, processing, distribution and transportation
- Fossil fuel related power generation
- Any projects that will result in lock in of fossil fuel technologies or are associated with hard-to-abate and carbon intensive sectors
- Nuclear power generation
- Alcohol
- Gambling
- Tobacco
- Weaponry and defense related equipment

6.2 *Process for Project Evaluation and Selection*

Mauritius will establish a Sustainable Finance Working Group (“SFWG”) comprising of representatives from the following ministries and chaired by the Ministry of Finance, Economic Planning and Development:

- Ministry of Finance, Economic Planning and Development
- Ministry of Environment, Solid Waste Management and Climate Change
- Ministry of National Infrastructure and Community Development
- Ministry of Energy and Public Utilities
- Ministry of Local Government and Disaster Risk Management

Representatives of other Ministries, government departments, local authorities and wholly owned government entities may be co-opted as and when required.

The SFWG will carry out the Project Evaluation and Selection process to ensure that the net proceeds of the Sustainable Use of Proceeds Finance Instruments are allocated to Eligible Expenditures which meet the eligibility criteria set out in Section 6.1 Use of Proceeds. Key roles of the SFWG include:

- Coordinate with Ministries to identify and select Eligible Expenditures for inclusion and ensure compliance with eligibility criteria set out in Section 6.1 Use of Proceeds
- Assess any known material risks of negative environmental or social impacts to ensure that while an environmental and/or social objective is achieved, it will not negatively impact other material environmental and/or social objectives
- Review proposed Eligible Expenditures to determine their alignment with the eligibility criteria of the Use of Proceeds Financing section of the Sustainable Finance Framework and to approve allocation of proceeds on an annual basis
- Ensure any Eligible Expenditures financed via Special Funds or disbursed to local authorities and government owned entities are aligned with the eligibility criteria of the Use of Proceeds Financing section of the Sustainable Finance Framework
- Review allocation of net proceeds to Eligible Expenditures and determine if any changes are necessary on an annual basis
- Exclude or replace Eligible Expenditures if they no longer meet the eligibility criteria
- Review the management of proceeds and facilitate reporting
- Manage any future updates of the Framework and Second Party Opinion
- Meet every 12 months and as necessary to review the framework

6.2.1 Environmental and Social Risk Mitigation

6.2.1.1 Environmental and Social Laws

The Mauritius government has established laws and legislations to mitigate environmental and social risks in the country, which would be applicable to all expenditures in the Framework.

Mauritius' Environmental Protection Act (EPA) 19 of 2002⁴¹ sets out standards for Environmental Impact Assessment (EIA) and standards for a variety of sectors including water, air, noise, hazardous wastes and non-hazardous wastes. In addition to the EPA, the Mauritius government has also established specific legislations such as the Ports Act 3 of 1998, Wastewater Management Authority Act 39 of 2000 and National Disaster Risk Reduction and Management Act 2 of 2016.

On the Social front, Mauritius established the Workers' Rights Act in 2019, replacing the Employment Rights Act of 2008. The Workers' Rights Act governs employer-employee relationship and provides for various employee rights across areas such as hiring, hours of work, remuneration and termination. The Act was amended by the Finance (Miscellaneous Provisions) Act 2022 which was introduced to further improve labour rights such as broadening the definition of worker, introducing a payable allowance when work is performed on a day on which a cyclone warning class III or IV is in force, free meal allowance when employee is required to perform a normal day's work of at least 10 hours and removal of 90 days ceiling for accumulating sick leave for workers earning a monthly basic salary equal to or less than Rs 50,000.

All public bodies in Mauritius are required to follow the provisions of the Public Procurement Act 2006 which all public tenders and contracts are subject to, in order to regulate any contracts entered into between the public authorities and the private sector.

6.2.1.2 Environmental and Social Impact Assessment

The SFWG will assess any known material risks of negative environmental or social impacts to ensure that while an environmental and/or social objective is achieved, it will not negatively impact other material environmental and/or social objectives. This is carried out via the EIA.

Mauritius first adopted formal procedures for EIA in 1993 following the amendment of the Environment Protection Act of 1991. The EIA is a study which assesses the environmental consequences

⁴¹ [Mauritius Environment Protection Act 19 of 2002](#)

of a proposed development and impact on the environment, human health and property. The EPA empowers the government to request an EIA for any activity apart from those listed in the Part B of the Environmental Protection (Amendment of Schedule) Regulations 2006⁴².

In line with the Capital Project Process Manual⁴³ (CPPM) issued in accordance with Section 22A of the Finance and Audit Act, Financial Institutions No 1 of 2019, all ministries must submit specific information pertaining to the Annex VII Guidelines for Expected Environmental Impacts to the Ministry of Finance, Economic Planning and Development for the assessment of project proposals for funding. The document is currently being revised to Public Investment Management Manual and would incorporate social impacts in addition to environmental impacts. During the analysis of the environmental impacts of the project, the tasks to be carried out are:

- (a) Identify the possible impacts of each phase of the project through a full environmental and social impact assessment. The formulation team will do a brainstorming session to identify all the possible environment impacts of each phase. A proper screening and scoping exercise will be undertaken to assess the environmental implications of the project on the site and surrounding environment.
- (b) Estimate the magnitude, duration and severity of the impact. Firstly, identify whether the expected impact is positive or negative, direct or indirect and likelihood of occurrence in general terms (certain, probable, unlikely, unknown). Estimate the magnitude of expected change in each variable, when it is expected to occur (immediately, short term, medium term, long term) and duration of impact (short term, medium term, long term or permanent). It will also be important to identify relationships between impacts.
- (c) Establish the importance of the impact which is not the same as the magnitude or duration although it can be a

⁴² [Mauritius Environmental Protection \(Amendment of Schedule\) Regulations 2006](#)

⁴³ [Mauritius Capital Project Process Manual](#)

combination of both. A major short-term and fully reversible environmental impact will be of little impact while a permanent and irreversible impact, even if magnitude is small, can be important.

- (d) Identify actions to mitigate and manage the relevant impacts. If mitigation is not possible, identify compensatory actions for the negative impact. These actions may include:
 - (i) Preventive actions to reduce the impact
 - (ii) Identify alternatives to reduce the impacts of the project, such as: Changing location, reducing size of the project alternative, using a different technology or construction method
 - (iii) Adoption of preventive measures during construction to reduce impacts
 - (iv) Action to mitigate the impacts such as: Reduction of magnitude or duration of impacts, restoration of environment after project construction, compensatory actions for negative impacts elsewhere.

6.2.1.3 Governance

Mauritius ratified the United Nations Convention against Corruption (UNCAC) in 2004 and the African Union Convention on Preventing and Combating Corruption in 2003.

The Mauritius government has enacted several laws to prevent and tackle corruption such as the Prevention of Corruption Act (POCA, 2022), Financial Intelligence and Anti-Money Laundering Act (FIAMLA, 2002), Asset Recovery Act (ARA) and the Good Governance and Integrity Reporting Act 2015. The Bank of Mauritius and Financial Services Commission have in place regulatory and supervisory jurisdiction within the scope of anti-money laundering (AML) and countering the financing of terrorism (CFT).

As part of the efforts to tackle corruption and money laundering, the Independent Commission against Corruption (ICAC) was

established in 2002 under the POCA and the Financial Intelligence Unit (FIU) was established in 2002 under the FIAMLA.

The ICAC is a corporate body aimed at educating the public on corruption and countering corruption across public officials as well as public bodies, via the adoption of a three-pronged strategy: Investigation, Prevention, Education. The FIU is the central Mauritian agency for the request, receipt, analysis and dissemination of financial information regarding suspected proceeds of crime and alleged money laundering or financing of any activities related to terrorism.

6.3 Management of Proceeds

The net proceeds of the Sustainable Use of Proceeds Finance Instruments will be deposited by Mauritius in a general funding account and earmarked for allocation in a Sustainable Finance Register. Mauritius intends to allocate these net proceeds to Eligible Expenditures selected in accordance with the Use of Proceeds criteria and evaluation and selection process presented above.

Mauritius will over time, achieve a level of allocation for the Eligible Expenditures that matches or exceeds the balance of net proceeds from outstanding Sustainable Use of Proceeds Finance Instruments. During the life of the Sustainable Use of Proceeds Finance Instruments, if the designated Expenditures cease to comply with the eligibility criteria or are withdrawn, the net proceeds will be re-allocated to other Eligible Expenditures as soon as reasonably practicable and in any case, within 12 months.

Mauritius will commit to, on a best-effort basis, allocate the net proceeds from the Sustainable Use of Proceeds Finance Instruments to Eligible Expenditures within 2 budget years from issuance date of the Sustainable Use of Proceeds Finance Instruments in accordance with Section 6.2 Process for Project Evaluation and Selection.

Pending full allocation of net proceeds to Eligible Expenditures, any unallocated funds will be held in cash and cash equivalents and managed per Mauritius Treasury and Finance general cash management policies. For the avoidance of doubt, unallocated proceeds will not be allocated to greenhouse gas intensive or controversial activities as per the exclusion criteria for the Framework.

6.4 Reporting

Mauritius intends to publish a report on the allocation of net proceeds and impact metrics within one year from issuance of the Sustainable Use of Proceeds Finance Instrument and annually thereafter until full allocation of the net proceeds, and as necessary in the event of material developments. This report will be made available on Mauritius website.⁴⁴

45

6.4.1 Allocation Reporting

The allocation report will include:

- Total amount of Eligible Expenditures and breakdown across Eligible Project Categories
- Total amount of proceeds allocated to Eligible Green or Social Expenditures
- Total amount of proceeds allocated per Eligible Green or Social Project Category
- Share of proceeds for refinancing vs. new financing
- Total amount of unallocated proceeds
- Brief descriptions of selected Eligible Expenditures including project locations, target populations (for social projects) and amount allocated

6.4.2 Impact Reporting

Mauritius aims to report the following estimated environmental and social impacts arising from the financing of Eligible Green and Social Expenditures where feasible, taking into consideration the ICMA Harmonized Framework for Impact Reporting⁴⁶. The report may also provide information on the methodology and assumptions used for the calculation of the impact metrics.

Where feasible, the impact report will include:

⁴⁴ [Mauritius Ministry of Finance, Economic Planning and Development](#)

⁴⁵ If the Sustainable Use of Proceeds Finance Instrument is a loan/private placement, the annual report may be provided to lenders/investors on a bilateral basis instead of being publicly shared

⁴⁶ [ICMA Harmonized Framework for Impact Reporting](#)

Eligible Project Category	Impact Reporting Metrics
Green Project Categories	
Renewable Energy	<ul style="list-style-type: none"> • Total installed capacity (MW) • Annual renewable energy generated (MWh) • Annual GHG emissions avoided or reduced (tCO₂e)
Clean Transportation	<ul style="list-style-type: none"> • Number/Value of low carbon vehicles • Number of low carbon public transport vehicles • Number of electric transportation infrastructure built
Sustainable Water and Wastewater Management	<ul style="list-style-type: none"> • Annual treated water from desalination plants (m³) • Number of rainwater harvesting systems installed
Green Buildings	<ul style="list-style-type: none"> • Number/Size of certified buildings and respective certification • Annual energy savings (MWh) • Annual GHG emissions avoided or reduced (tCO₂e)
Energy Efficiency	<ul style="list-style-type: none"> • Annual energy savings (Mwh)
Environmentally Sustainable Management of Natural Living Resources and Land Use	<ul style="list-style-type: none"> • Area of forests rehabilitated (ha)
Terrestrial and Aquatic Biodiversity Conservation	<ul style="list-style-type: none"> • Number of ecosystems or habitats restored • Number of species protected before and after the project • Number of research projects implemented
Pollution Prevention and Control	<ul style="list-style-type: none"> • Recycling rate of post-consumer PET bottles (%) • Amount of hazardous waste collected (tons) • Amount of waste diverted from landfill (tons) • Number of trees planted • Number of mangroves planted
Climate Adaptation	<ul style="list-style-type: none"> • Number of beach sites and landslides rehabilitated • Number of beach enhancement projects • Number of systems implemented to enhance adaptive capabilities of Mauritius
Social Project Categories	
Access to Essential Services	<ul style="list-style-type: none"> • Number of education or healthcare infrastructure financed • Number of beneficiaries
Affordable Housing	<ul style="list-style-type: none"> • Number of beneficiaries • Number of housing units constructed
Employment Generation and Alleviation of	<ul style="list-style-type: none"> • Number of beneficiaries • Numbers of MSMEs positively impacted • Number of unemployed youths supported

Unemployment from MSME Financing	<ul style="list-style-type: none"> • Number of unemployed women supported
Socioeconomic Advancement and Empowerment	<ul style="list-style-type: none"> • Number of beneficiaries • Number of women who benefit from welfare and empowerment programs • Number of children placed in foster care families • Number of small-scale farmers supported • Number of artisanal fishers supported
Food Security and Sustainable Food Systems	<ul style="list-style-type: none"> • Number of new resilient agriculture practice implemented • Number of new produce and better performing varieties introduced • Number of facilities constructed to produce seeds and breeding stock • Volume of honey produced (ton) • Number of beekeepers trained • Number of small-scale farmers supported • Number of artisanal fishers supported

6.5 External Review

6.5.1 Second Party Opinion (Pre-Issuance)

Mauritius has appointed Sustainalytics to assess the Use of Proceeds Financing section of the Sustainable Finance Framework and its alignment with the GBP, SBP, SBG, GLP, SLP and issue a Second Party Opinion. The Second Party Opinion will be made available on the Ministry of Finance’s website.⁴⁷

6.5.2 Verification (Post-Issuance)

Mauritius is committed to engage an External Reviewer to assess the allocation of net proceeds to eligible expenditures, on an annual basis until full allocation.

The resulting report will be made public on the Ministry of Finance’s website.

⁴⁷ ⁴⁸

⁴⁷ [Mauritius Ministry of Finance, Economic Planning and Development](#)

⁴⁸ If the Sustainable Use of Proceeds Finance Instrument is a loan/private placement, the annual verification report may be provided to lenders/investors on a bilateral basis instead of being publicly shared

7. SUSTAINABILITY-LINKED FINANCING

The Sustainability-Linked Financing Framework is aligned with the ICMA Sustainability-Linked Bond Principles (SLBP) 2023⁴⁹ and LMA Sustainability-Linked Loan Principles (SLLP) 2023.⁵⁰

The Framework is structured according to the following 5 core components of the above principles.

1. Selection of Key Performance Indicators (KPIs)
2. Calibration of Sustainability Performance Targets (SPTs)
3. Characteristics of Sustainability-Linked Finance Instruments
4. Reporting
5. Verification

The Framework may be revised or updated anytime to remain consistent with the sustainability strategy of Mauritius, best market practices and regulatory developments. For the avoidance of doubt, any future changes to the Framework may not necessarily apply to Sustainability-Linked Finance Instruments previously issued under this framework. The updates, if not minor or technical in nature, will be subject to the prior approval of the Ministry of Finance, Economic Planning and Development. Any new framework will be published on the Ministry of Finance's website with the date of update and replace this framework. A new Second Party Opinion will be obtained for a revised or updated Framework.

7.1 Selection of KPIs

7.1.1 KPI 1: Absolute Greenhouse Gas (GHG) Emissions (including LULUCF) (ktCO₂e)

Rationale behind the selection of KPI

While Mauritius' net GHG emissions represent less than 0.01% of total global GHG emissions, the country is one of the most vulnerable countries impacted by climate change and is also one of the first countries to ratify the Paris Agreement and announce its first NDC in 2015. The government has since updated its NDC in 2021 with a more ambitious GHG emissions reduction target. In line with its ambition to achieve its NDC target, Mauritius has established the Climate Change Act which came into force in April 2021. An inter-ministerial Council on Climate Change was established to set national objectives, goals, and targets while a Climate Change

⁴⁹ [ICMA Sustainability-Linked Bond Principles \(June 2023\)](#)

⁵⁰ [LMA Sustainability-Linked Loan Principles \(February 2023\)](#)

Committee was set up to enable multi-stakeholder participation for the preparation of national climate change strategies and action plans for mitigation and adaptation.

Mauritius submitted its first GHG inventory as part of its first National Communication (NC) in April 1999, after which an improved national GHG inventory was developed for the preparation of the Second and Third NCs. Mauritius is obliged to submit its Biennial Update Report (BUR)⁵¹ and NCs⁵² on a regular basis as part of its commitment to the United Nations Framework Convention on Climate Change (UNFCCC) reporting requirements. The national GHG inventory includes Energy, Industrial Processes and Product Use (IPPU), Agriculture, Forestry and Other Land Use (AFOLU; this includes Land Use, Land Use Change and Forestry (LULUCF)) and Waste (Solid and Liquid).

Based on its national GHG inventory, Mauritius' net GHG emissions in 2021 was 5,136ktCO₂e (including removals from LULUCF). Total emissions in Mauritius have been rising from 2000 to 2021, except for a peak in 2004 due to the AFOLU sector underpinned by deforestation mostly on privately owned forest land. Total emissions (excluding removals from LULUCF) increased by 82.4% while total net emissions (including removals from LULUCF) increased by 102% from 2000 to 2021. The biggest source of emissions (excluding removals from LULUCF) is the Energy sector which represents 79.3% of total emissions in Mauritius in 2016, followed by the Waste sector with 10.9% of emissions, the IPPU sector with 7.1% of emissions and the Agriculture sector at 2.7% of emissions.

In the Energy sector, the largest emitter is the energy industries (electricity) which represent 55.3% of emissions in the sector in 2021 mainly due to combustion of coal and fuel oil. This is followed by the transport sector at 31.2% with majority due to road transport. In the waste sector, the most significant category is solid waste disposal at landfills followed by wastewater treatment and discharged. Since 2011, emissions in the waste sector has seen a downward trend due to a combination of policy actions reducing emissions especially for industrial wastewater. In the IPPU sector, product uses as substitutes for Ozone Depleting Substances (ODS)

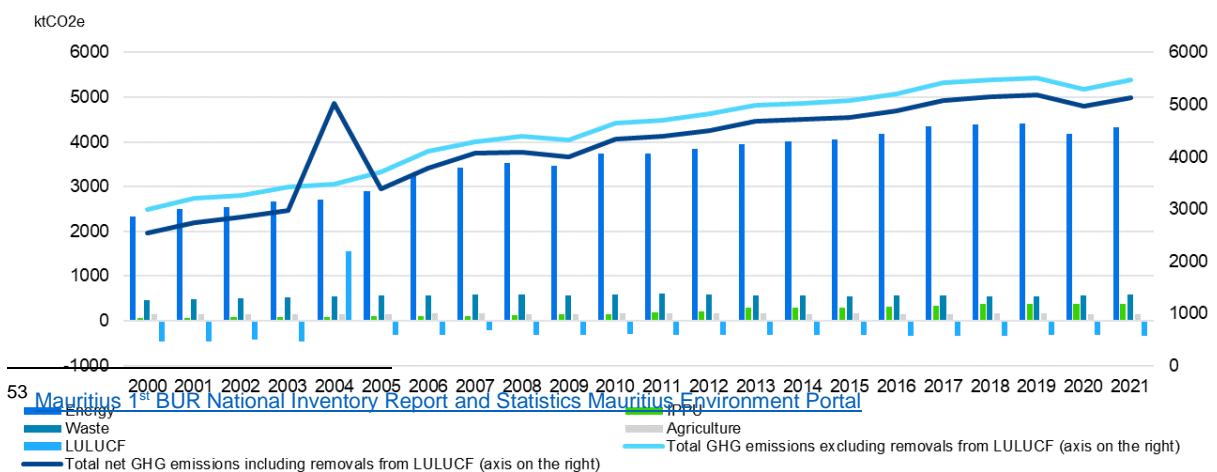
⁵¹ [Mauritius 1st BUR \(December 2021\)](#) and [Mauritius Climate Change Information Centre](#)

⁵² [Mauritius 4th NC \(October 2022\)](#) and [Mauritius Climate Change Information Centre](#)

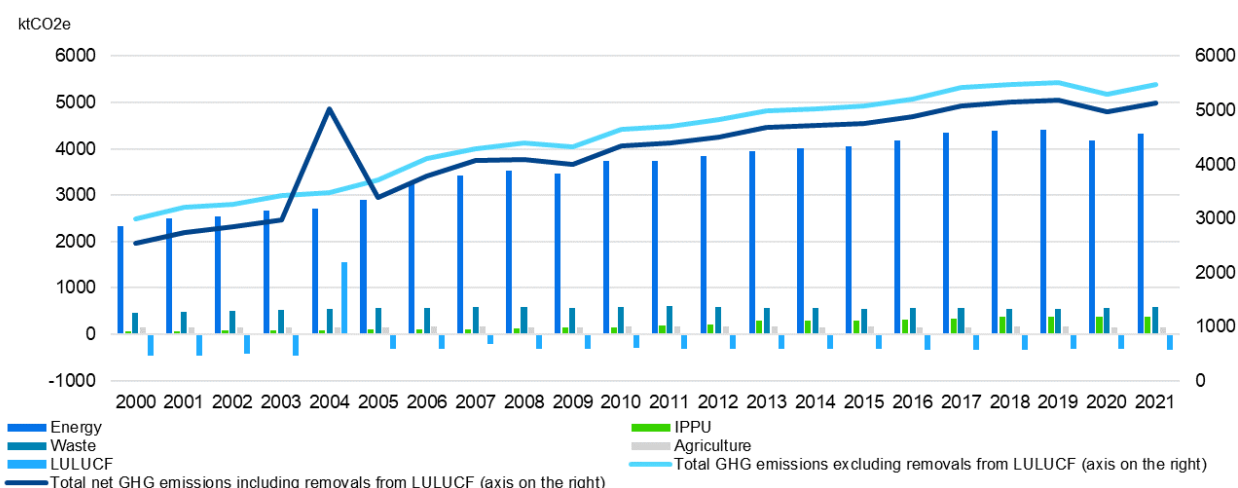
represent majority of total emissions of the sector, due to the Refrigeration and Air conditioning category mainly for stationary sources.

Mauritius National Inventory: Total GHG Emissions by Sector from 2000 to 2021 (ktCO₂e)⁵³

Year	Energy	IPPU	Waste	Agriculture	LULUCF	Total GHG emissions excluding removals from LULUCF	Total net GHG emissions including removals from LULUCF
2000	2,323.15	70.32	460.80	146.06	-457.45	3,000.33	2,542.88
2001	2,492.10	73.46	488.68	145.00	-460.58	3,199.24	2,738.66
2002	2,544.85	76.15	497.44	151.35	-418.77	3,269.79	2,851.02
2003	2,678.11	78.88	525.19	147.01	-459.89	3,429.19	2,969.30
2004	2,704.03	81.25	551.36	145.28	1,549.30	3,481.92	5,031.22
2005	2,889.79	113.16	564.01	149.00	-323.91	3,715.96	3,392.05
2006	3,255.86	108.04	576.77	161.03	-311.43	4,101.70	3,790.27
2007	3,423.66	103.25	585.02	171.93	-213.84	4,283.86	4,070.02
2008	3,524.63	125.87	594.41	149.84	-308.16	4,394.75	4,086.59
2009	3,472.88	139.56	558.97	148.81	-315.46	4,320.22	4,004.76
2010	3,731.18	151.71	588.57	168.17	-296.65	4,639.63	4,342.98
2011	3,742.36	193.95	604.32	167.07	-312.27	4,707.70	4,395.43
2012	3,839.69	214.43	596.51	175.80	-313.68	4,826.43	4,512.75
2013	3,949.45	300.00	569.54	178.83	-313.50	4,997.82	4,684.32
2014	4,005.75	300.78	572.77	156.37	-310.27	5,035.67	4,725.40
2015	4,057.65	300.96	555.45	161.02	-321.56	5,075.08	4,753.52
2016	4,182.62	311.18	559.18	158.08	-329.70	5,211.06	4,881.36
2017	4,360.06	340.23	570.79	153.76	-338.63	5,424.84	5,086.21
2018	4,391.34	374.72	555.18	159.25	-327.56	5,480.49	5,152.93
2019	4,420.72	373.46	554.61	166.98	-321.09	5,515.77	5,194.69
2020	4,178.88	388.30	571.25	158.44	-323.42	5,296.87	4,973.46
2021	4,336.53	387.69	598.78	148.28	-335.57	5,471.28	5,135.71



53 Mauritius 1st BUR National Inventory Report and Statistics Mauritius Environment Portal



In line with the commitment to the Paris Agreement, Mauritius intends to achieve its NDC target and incorporating the target in Sustainability-Linked Finance Instruments provides for an additional layer of government accountability.

KPI	Absolute GHG Emissions (including LULUCF) in Mauritius (ktCO ₂ e)
Baseline	2021: 5,135.71ktCO ₂ e
UN SDG Alignment	SDG 13 Climate Action: 13.2 Integrate climate change measures into policy and planning
Perimeter of Sectors	<ul style="list-style-type: none"> • Energy • Waste • Industrial Processes and Product Use (IPPU) • Agriculture • Land Use Land Use Change and Forestry (LULUCF) (Removals)⁵⁴ • Note that for Rodrigues, only the main sectors – Energy and AFOLU are covered
Perimeter of Greenhouse Gases	<ul style="list-style-type: none"> • Carbon Dioxide (CO₂) • Methane (CH₄) • Nitrous Oxide (N₂O) • Hydrofluorocarbons (HFCs)
Perimeter of areas covered	<ul style="list-style-type: none"> • Mauritius including Island of Mauritius and Island of Rodrigues⁵⁵
Calculation Methodology	<ul style="list-style-type: none"> • An institutional arrangement has been established to create a working framework to integrate a measurement, reporting and verification (MRV) system in the Mauritius government in order to calculate the National GHG inventory and prepare the BUR. The Department of Climate Change coordinates the preparation of GHG inventories to monitor and

⁵⁴ This is part of the Agriculture, Forestry and Other Land Use (AFOLU) category in Mauritius National GHG inventory, but we have split this component from Agriculture for clarity.

⁵⁵ Islets are not included given minimal GHG emissions.

control GHG emissions across various sectors while national sectoral experts are involved across six technical working groups



- The methodology to estimate the National GHG Inventory is consistent with the 2006 IPCC Guidelines for National GHG Inventories and Good Practices Guidance as well as the 2019 Refinement to the 2006 IPCC Guidelines
- The UN Framework for the Development of Environment Statistics 2013 (FDES 2013) and the Glossary of Environment Statistics have been used as a basis to compile GHG emissions data in Mauritius
- The methodology applied for GHG emissions estimation consists of multiplying activity data (AD) by the relevant appropriate emission factor (EF). Emissions (E) = Activity Data (AD) x Emission Factor (EF)
- The methodology approach used for each of the sectors are based on a combination of Tier 1 and Tier 2 methods
- All data used are reviewed during peer review meetings with the stakeholders in the working groups. Quality Control procedures have been implemented through routine and consistent checks to identify errors and omissions. The process was carried out under close supervision of local and international consultant such as the UNEP/UNDP Global Support Programme to ensure compliance with the IPCC Guidelines
- The operationalisation of the Mauritius NDC Registry is currently under process and will be subject to external audit and quality assurance

7.1.2 KPI 2: Share of Renewable Energy in the Electricity Generation of Mauritius (%)

Rationale behind the selection of KPI

To achieve Mauritius' NDC target, the government has quantified absolute GHG emissions reduction needed across each of the aforementioned key sectors in KPI 1. Given that the energy sector contributes to the largest share of GHG emissions, the role of renewable energy is significant in the nation's shift towards a cleaner electricity grid and phase out coal.

The Ministry of Energy and Public Utilities (MEPU) is responsible for the formulation of policies and strategies in the utilities sector (energy, water,

and wastewater) and the Mauritius Renewable Energy Agency (MARENA) is the key agency for advising the MEPU on all matters related to renewable energy. The Central Electricity Board (CEB) is a parastatal body operating under the aegis of the MEPU and governed by the provisions of the CEB Act 1963. The CEB is currently the sole organisation responsible for the transmission, distribution, and supply of electricity in Mauritius. The CEB produces around 45% of Mauritius' total power requirements while the remaining 55% are purchased from Independent Power Producers.

Mauritius has always been committed to a progressive reduction of GHG emissions from its national electricity grid by 2030. Early policy choices were developed to reduce GHG emissions for example, by switching from fossil fuels to renewable energy as reflected in the Long-Term Energy Strategy 2009-25. In 2017, about 20.0% of electricity was generated from renewable energy while in 2019, the share increased to 21.7%, with 36.3% from coal and 41.7% from diesel and fuel oil.

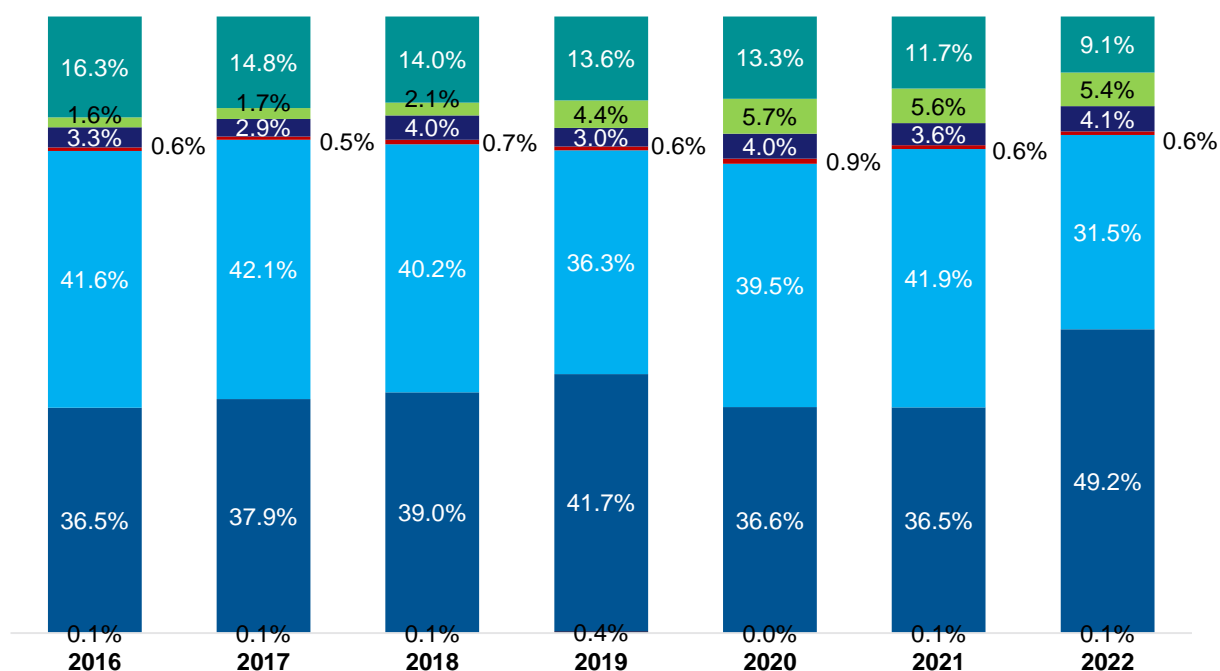
To create a pathway to meet an ambitious renewable energy target of 40% by 2030, the MEPU published a Renewable Energy Roadmap 2030 for the Electricity Sector in 2019 which saw the share of renewable energy rise further to 23.9% in 2020 while coal remains broadly stable at 39.5% and diesel and fuel oil at 36.6%.

In the National Budget 2021/22, the government announced Green Energy as a new economic pillar of Mauritius and at the same time, strengthened the renewable energy target to 60% from 40% by 2030 and 40% by 2025, announced a phase out of the use of coal in electricity generation by 2030 and an increase of 10% energy efficiency by 2030 (2019 base year). A revised Renewable Energy Roadmap 2030⁵⁶ was then announced in 2022 to reflect initiatives to achieve the new target.

Further, the increased investments in renewable energy are expected to have positive socioeconomic impact on Mauritius in terms of job creation. The total number of renewable energy jobs are expected to increase by more than 7 times from 1,092 in 2020 to 8,121 by 2030.

⁵⁶ [Mauritius Renewable Energy Roadmap 2030](#)

Mauritius National Electricity Generation by Source from 2016 to 2022⁵⁷



■ Gas Turbine (kerosene) ■ Diesel & Fuel Oil ■ Coal ■ Landfill Gas ■ Hydropower ■ Wind and Solar ■ Bioenergy

Gwh	2016	2017	2018	2019	2020	2021	2022
Hydropower	99.5	89.8	124.5	98.6	115.8	106.9	128.3
Wind and Solar	48.3	53.8	64.5	143.8	163.9	166.7	170
Bioenergy	497	463.2	437.1	439.6	383.6	349.7	283
Landfill Gas	18.7	16.9	22.6	19.8	24.8	19	17.2
Total Renewable Energy	663.5	623.7	648.7	701.8	688.1	642.3	598.5
Coal	1266.8	1312	1259.5	1174.1	1137.6	1254.5	983.9
Diesel & Fuel Oil	1109.8	1181.3	1221.6	1349	1056.33	1093.6	1534.7
Gas Turbine (kerosene)	2.1	2.7	1.8	11.7	0.4	1.8	2.2
Total Energy	3042.2	3119.7	3131.6	3236.6	2882.43	2992.2	3119.3

% Share	2016	2017	2018	2019	2020	2021	2022
Hydropower	3.3%	2.9%	4.0%	3.0%	4.0%	3.6%	4.1%
Wind and Solar	1.6%	1.7%	2.1%	4.4%	5.7%	5.6%	5.4%
Bioenergy	16.3%	14.8%	14.0%	13.6%	13.3%	11.7%	9.1%
Landfill Gas	0.6%	0.5%	0.7%	0.6%	0.9%	0.6%	0.6%
Total Renewable Energy	21.8%	20.0%	20.7%	21.7%	23.9%	21.5%	19.2%
Coal	41.6%	42.1%	40.2%	36.3%	39.5%	41.9%	31.5%
Diesel & Fuel Oil	36.5%	37.9%	39.0%	41.7%	36.6%	36.5%	49.2%
Gas Turbine (kerosene)	0.1%	0.1%	0.1%	0.4%	0.0%	0.1%	0.1%
Other Energy	78.2%	80.0%	79.3%	78.3%	76.1%	78.5%	80.8%

⁵⁷ [Statistics Mauritius Energy and Water Statistics](#)

KPI	Share of Renewable Energy in the Electricity Generation of Mauritius (%)
Baseline	2022: 19.2%
UN SDG Alignment	<ul style="list-style-type: none"> SDG 7 Affordable and Clean Energy: 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Perimeter of areas covered	<ul style="list-style-type: none"> The entire electricity grid in Mauritius including Island of Mauritius and Island of Rodrigues
Perimeter of Energy Sources	<p><u>Renewable Energy</u></p> <ul style="list-style-type: none"> Solar Wind Hydropower Landfill Gas Biomass Tidal/Wave Green Hydrogen Waste to Energy <p><u>Fossil Fuel</u></p> <ul style="list-style-type: none"> Coal Diesel and Fuel Oil Gas turbine (kerosene)
Calculation Methodology	$\frac{\text{Gross Electricity Generation from Renewable Energy (kWh)}}{\text{Total Gross Electricity Generation (kWh)}} \times 100$ <ul style="list-style-type: none"> The data on the share of electricity generation is consolidated by the Ministry of Energy and Public Utilities in collaboration with CEB. Monthly Generation Progress reports are obtained from the CEB containing electricity generated (in kWh) by <ul style="list-style-type: none"> Energy source (e.g. Solar photovoltaic, wind, diesel oil, coal, bagasse) Generation stations (Islands of Mauritius and Rodrigues) Source of generation (CEB/IPP) Monthly figures are aggregated to obtain annual statistics for: <ul style="list-style-type: none"> Total electricity generation for the year (excluding electricity generated from bagasse and coal for own consumption by IPP) Electricity generated from renewable energy sources To obtain electricity generated from bagasse and coal for own consumption by IPP, the Annual Sugar Industry Energy & Water Survey is conducted around February/March every year. From this survey, the total electricity generated by IPP is obtained and the value for their own consumption is calculated by considering the difference

7.1.3 KPI 3: Gross Tertiary Enrolment rate in Mauritius (%)

Rationale behind the selection of KPI

Mauritius has a long-term vision to make Higher Education a key pillar of its national economy and position Mauritius as the regional knowledge hub, to establish Mauritius as a high-income country by 2030. The objective being to attract an increasing number of students from overseas to pursue their higher studies in Mauritius and in so, develop the higher education sector into an important economic pillar. This has the added potential to generate income, employment, and foreign direct investment.

Higher education is expected to fuel economic growth in Mauritius and has the added potential to generate income, employment, and foreign direct investment by attracting international students.

In 2010, the Mauritius government established the Ministry of Education, Tertiary Education and Science & Technology which is responsible for defining higher education policies in Mauritius. The Tertiary Education Commission (TEC) was initially set up to implement national policies defined by the Ministry. It has a specific task to promote, plan, develop, coordinate, and regulate tertiary education in Mauritius. In 2019, government introduced the Free Tertiary Education Scheme which promotes free access to an undergraduate programme for any Mauritian national who wants to pursue studies on a full time or part time or blended mode for first award certificate or first diploma or first degree, at any public Higher Education Institute (HEI). This Scheme has been very successful in further democratising access to Tertiary Education and laying a solid base for the development of a Knowledge Economy. This scheme is implemented by the Higher Education Commission.

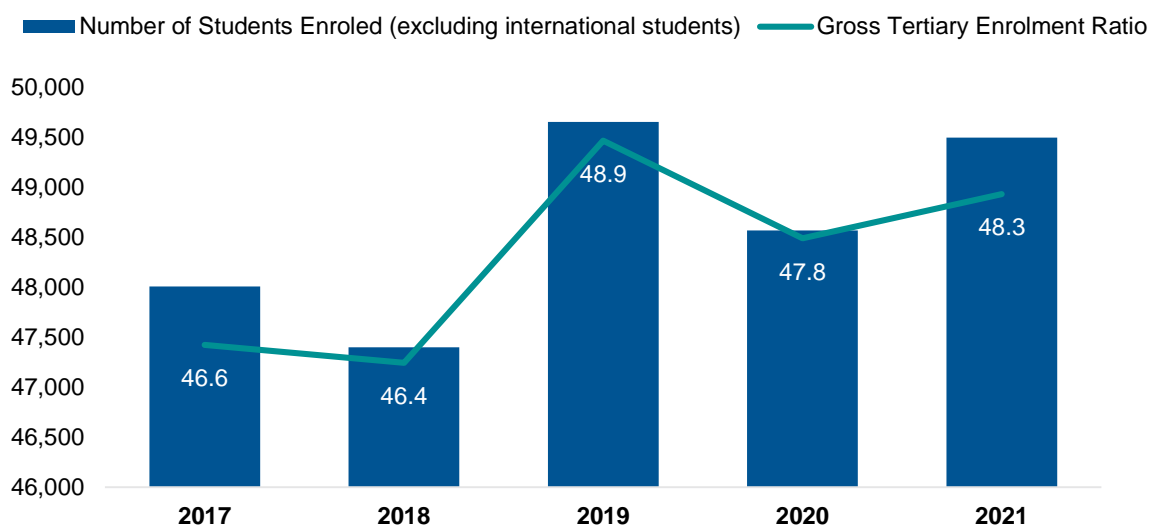
In 2020 with the promulgation of the Higher Education Act 2017, two institutions were created namely the Higher Education Commission (HEC) and the Quality Assurance Authority (QAA). The HEC is the Regulatory Body responsible to monitor and oversee Higher Education in Mauritius and the QAA is the authority responsible for quality assuring higher education as per International Standards. Furthermore, the HEC promotes, plans, fosters, supports and implements the development of Higher Education, academic research, and training facilities through equity of access, high quality learning and research outcomes, the efficient use of national resources and innovation.

A national strategy for tertiary education was first established in 2013 with a long-term objective to provide equitable access to higher education and reach the target of 68,000 students by 2025. This has been replaced by Mauritius HEC Strategic Plan 2022-2025⁵⁸ which is aimed to transform the higher education sector in Mauritius.

KPI	Gross Tertiary Enrolment rate in Mauritius (%)
Baseline	2021: 48.3%
UN SDG Alignment	<ul style="list-style-type: none"> SDG 4 Quality Education: 4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university
Perimeter of areas covered	<ul style="list-style-type: none"> Mauritius including Island of Mauritius and Island of Rodrigues
Calculation Methodology	$\frac{\text{Total enrolment minus International Students in Tertiary Education}}{\text{Total population aged 20 to 24 years}} \times 100$ <ul style="list-style-type: none"> Enrolment for a given level of education expressed as a percentage of the corresponding age group for tertiary Education which is 20 to 24 years old The HEC carries out an enrolment survey in January each year to gauge enrolment data as at December for the past year (i.e survey carried in Jan 2023 for enrolment data as at December 2022). Enrolment data is collected from all Higher Education Institutions (HEIs), Publicly Funded Institutions (PFIs) and Private Higher Education Institutions (PHEIs) registered with the Higher Education Commission (HEC) as well as from examination centers in respect of those undertaking self-studies and who are registered directly with an overseas awarding body. Data is also collected from ACCA Mauritius which enrolls students on ACCA programmes. A format for submission is sent to the PFIs and the PHEIs by email with a deadline. Monitoring and follow up is done through emails and phone calls. In order to avoid double counting and derive a best estimate of the number of students on Self-study, the enrolment data from the Private HEIs is reconciled with the statistics collected from the examination centers. Data on Mauritian pursuing higher studies overseas is collected from the Embassies and Mauritian missions overseas through the Ministry of Foreign Affairs, Regional Integration and International Trade which acts as the liaison point. Other supplementary sources of information comprise the Scholarship Section of the Ministry of

⁵⁸ [HEC Strategic Plan 2022 to 2025](#)

Education, Tertiary Education, Science and Technology, the Employees Welfare Fund and the Recruiting Agents.



59

7.2 Calibration of SPTs

7.2.1 SPT 1: Reduce the Absolute GHG Emissions (including LULUCF) in Mauritius by 19.39% by 2030

This SPT is formulated in alignment with Mauritius' updated NDC in 2021. Mauritius aims to reduce its overall GHG emissions by 40% by 2030 versus a Business as Usual (BAU) scenario of around 6,900ktCO₂e (including LULUCF) which is equivalent to 4,140ktCO₂e. This translates into a 19.39% reduction versus the 2021 baseline of 5,135.71ktCO₂e.

KPI 1	Absolute GHG Emissions (including LULUCF) in Mauritius (ktCO ₂ e)
SPT 1	Reduce the absolute GHG Emissions (including LULUCF) by 19.39% by 2030
Baseline	2021: 5,135.71ktCO ₂ e
Target Observation Date	31 December 2030

⁵⁹ [Statistics Mauritius Education Portal](#)

Strategy to achieve SPT 1

In the formulation of the NDC target and measures to mitigate GHG emissions, Mauritius' Department of Climate Change in the Ministry of Environment, Solid Waste Management and Climate Change, has conducted consultations with various stakeholders, academic experts, and technical consultations. Consultations were carried out with local communities, particularly Rodrigues. Attention has also been given to vulnerable groups especially in the outer islands and specific mitigation and adaptation actions are dedicated to Rodrigues to adapt to the context of the island.

Below are some key action plans across the relevant sectors within the perimeter of this SPT:

Energy

- Production of 60% of energy needs from renewable energy by 2030
- Strategic plan will be prepared for the development and deployment of green hydrogen in various sectors
- Phase out of coal before 2030 and development of biomass framework
- Increase in energy efficiency by 10% by 2030 (2019 baseline)
- Mandatory energy labelling extended to television sets, washer dryers and tumble dryers
- *Relevant national strategies:* Renewable Energy Roadmap 2030, Long-Term Energy Strategy 2009

Transport

- Extension of light rail network to modernise and upscale the public transport system by 2022
- Increase subsidies for purchase of electric vehicles such as the Bus Modernisation Scheme (BMS) established by the government through the National Land Transport Authority to financially assist bus operators to replace aging fleet with low carbon modern buses
- Achieve a fully green and clean bus transport system by 2035
- *Relevant national strategies:* Electric Vehicle Roadmap 2030

Waste

- Diversion of 70% of waste from landfill by 2030 through composting plants, sorting units, biogas plants, waste-to-energy plants, employment of anaerobic digestion
- *Relevant national strategies:* Solid Waste Management Strategy

IPPU

- Implement minimum energy performance standards for air conditioners by 2024
- 10% reduction in GHG emissions of HFCs by 2030 versus business-as-usual
- *Relevant national strategies:* Long-Term Energy Strategy 2009

Agriculture

- Set up pilot biogas units
- Adopt smart agricultural practices such as natural farming systems, agro-forestry, promotion of efficient irrigation techniques
- *Relevant national strategies:* National Biodiversity Strategy and Action Plan 2021-25

LULUCF

- Massive planting of trees in Mauritius and Rodrigues
- Restoration and plantation of native forests in line with the National Biodiversity and Action Plans 2017 to 2025
- Plantation of mangroves
- *Relevant national strategies:* Strategic Plan for the Food Crop, Livestock and Forestry sectors 2016-2020 (under revision)

7.2.2 SPT 2: Increase the Share of Renewable Energy in the Electricity Generation of Mauritius to 60% by 2030

This SPT is formulated in alignment with Mauritius' strategic action plan to mitigate GHG emissions and achieve its NDC target by 2030. Given the energy sector contributes to the largest share of GHG emissions, particular focus will be around shifting energy sources towards renewable energy.

KPI 2	Share of Renewable Energy in National Electricity Generation (%)
SPT 2	Increase the share of Renewable Energy in National Electricity Generation to 60% by 2030
Baseline	2022: 19.2%
Target Date	Observation 31 December 2030

Year	2019	2020	2021	2022	2030 (Target)
Share of Renewable Energy in the Electricity Generation of Mauritius (%)	21.7	23.9	21.5	19.2	60

Strategy to achieve SPT 2

Over the past few years, over 100MW of installed capacity of wind and solar farms have been commissioned. In order to meet the 60% target by 2030, an estimated USD 1.345 billion is required to be invested.

In accordance with Mauritius Renewable Energy Roadmap 2030 and 2023/24 budget, expected measures to increase the share of renewable energy include the following:

- Launch of 2 utility scale Solar PV plants at 10MW each expected to be in operation in early 2024
- Creation of a National Biomass Framework
- Greenfield renewable energy scheme of 90MW for public entities
- Solar PV scheme for charging of electric vehicles for 10MW
- Solar PV scheme for educational institutions for 6MW
- Renewable energy scheme for domestic households for 10MW (Home Solar Project to install solar PV systems on rooftops of 10,000 households of low-income group. The government seeks to install 2000 kits each year, hence 10,000 by 2024)
- Pilot project of 2MW floating Solar PV at Tamarind Falls
- New 40MW wind farm to be installed by 2024
- Research and development on hybrid renewable energy as baseload and other new sources of renewable energy such as waste-to-

energy, offshore wind, wave and tidal energy for the production of electricity

- CEB Smart City Scheme for 20 MW
- CEB Small-Scale Distribution Generation (SSDG) scheme to cater for low voltage connected renewable energy systems with capacities lower than 50KW
- CEB Medium-Scale Distributed Generation (MSDG) scheme for renewable energy projects with capacities greater than 50KW
- CEB Public Sector Scheme for 15 MW
- CEB Renewable Energy Scheme for Religious Bodies for 4 MW
- CEB Renewable Energy Scheme for NGOs and Charitable Institutions for 2 MW
- CEB Green Energy Scheme for SMEs for 4 MW
- CEB Eco-Village project. In the first phase, 50 deserving families at Dilo Pouri in Le Morne Village, Vuillemin in Quartier Militaire, Benares in the South, Debarcadere in Bambous Virieux and Terre Rouge will receive a solar photovoltaic kit of 2KW each. The families benefiting from these solar kits will get 100kWh of electricity free every month
- Strategic plan will be prepared for the development and deployment of green hydrogen in various sectors
- Development Bank of Mauritius to offer Green Energy Loan schemes to SMEs for production of electricity on rooftop of their buildings up to a maximum of Rs 1 million
- Solar powered streetlights installed across the island to replace LED and other lights

In order to ensure a complete phase out of coal for electricity generation by 2030, all existing power purchase agreement (PPA) when expired will only be renewed until 2030. No PPA for coal power plants will be effective after 2030. The PPA for a new coal power plant was cancelled in 2015 and another not renewed upon expiry in 2018. A third PPA will expire in 2025 and will not be renewed.

7.2.3 SPT 3: Increase the Gross Tertiary Enrolment rate in Mauritius to 60% by 2030

This SPT is formulated in alignment with Mauritius' long-term vision to make Higher Education a key pillar of its national economy and position Mauritius as a regional knowledge hub.

KPI 3	Gross Tertiary Enrolment rate (%)
SPT 3	Increase the Gross Tertiary Enrolment rate to 60% by 2030
Baseline	2021: 48.3%
Target Observation Date	31 December 2030

Year	2019	2020	2021	2030 (Target)
Gross Tertiary Enrolment Rate (%)	48.9	47.8	48.3	60

Strategy to achieve SPT 3

The HEC has established a Strategic Plan for 2022-25 which sets out its vision and strategy to address the challenges in the higher education sector in Mauritius to transfer Mauritius into a regional knowledge hub.

The Strategic Plan provides a roadmap around 5 key strategic themes with objectives, key action plans as well as KPIs established for each theme.

Theme	Objectives	Selected Key Actions
Responsiveness – Adopt a responsive and robust regulatory framework for higher education	<ul style="list-style-type: none"> Raise quality and standard of higher education provisions Ensure effective and consistent compliance with regulatory framework of HEC and reduce regulatory burden Protect reputation of Mauritius as a higher education destination Attract top-ranked universities to Mauritius 	<ul style="list-style-type: none"> Establish a new regulatory framework for higher education Develop regulations, standards and guidelines for the establishment and registration of private higher education institutes and accreditation of programs of higher education institutes (public and private) Develop criteria for usage of 'university title' or 'academic title' Implement budget measures and fiscal incentives Adopt fast-track to process application from top-ranked universities Conduct capacity building for HEC staff, external accreditation panel

		members, public and private providers to use regulatory tools for compliance
Relevance – Support relevant higher education and research	<ul style="list-style-type: none"> • Increase relevant and impactful research • Enhance relevance of higher education programs • Foster graduate employability 	<ul style="list-style-type: none"> • Fund research to address industrial and societal needs • Develop list of priority research aligned with national priorities • Encourage institutions to conduct student need and demand analysis before offer programs • Implement minimum cohort sizes to ensure financial sustainability of programs • Approve courses in line with labour market demand • Demand graduate employability guidelines • Ensure integrate work placements in full time undergraduate programs
Resilience – strengthen the resilience of the higher education system through internationalization and enhanced student experience	<ul style="list-style-type: none"> • Reinforce the internationalization of higher education • Increase access and inclusiveness • Enhance technology-enabled learning • Foster student mobility and flexible learning pathways 	<ul style="list-style-type: none"> • Introduce classification system of higher education institutes for export of higher education • Develop framework for internationalization of higher education • Implementation of Mauritius Africa Scholarships scheme • Implement the Free Tertiary Education Scheme (FTES) • Develop and implement a model code of conduct for students • Implement a framework for student welfare
Sustainability – ensure effectiveness and efficiency and financial sustainability of the public higher education sector	<ul style="list-style-type: none"> • Establish a fair and equitable system of allocating government funds • Promote effective and efficient use of government funds 	<ul style="list-style-type: none"> • Appointment of consultants to develop funding mechanism • Develop a new funding mechanism linked to performance • Rationalize and harmonize program of public higher education institutions • Monitor performance of public higher education institutions • Set up an internal audit system at HEC • Inspection as per HEC Act

<p>Engagement – promoting engagement, partnership, and linkages in higher education</p>	<ul style="list-style-type: none"> • Strengthen local and international collaboration • Engage with stakeholders • Enhance the visibility of HEC • Advice on planning and policy development in higher education 	<ul style="list-style-type: none"> • Develop linkages and collaborations with local/regional/international bodies • Platforms for stakeholder consultations • Develop marketing and communication strategy • Branding of HEC • Establish a higher education data hub • Computerization of the management information system • Conduct periodic reviews / trend analysis • Undertake intelligence to provide robust policy advice in higher education
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7.2.4 Potential Factors and Barriers which may impact achievement of SPTs SPT 1 & 2

The achievement of the NDC target and a greener national electricity grid will depend on both national and international funding. An estimated USD 6.5 billion is required to implement Mauritius' NDC targets with USD 2 billion for climate mitigation and USD 4.5 billion for climate adaptation actions. The share of the unconditional (government and private sector in Mauritius) is USD 2.3 billion and the share of conditional (international sources and donor agencies) is USD 4.2 billion or 65% of the total funding required. In order to achieve the renewable energy target of 60% by 2030, an estimated USD 1.345 billion is required. Financing from investors will be needed and the Mauritius government has rolled out a series of measures to promote this sector and attract investors in this area.

In addition, to achieve the NDC target, key sectors of the economy notably energy (including manufacturing), transport, agriculture, tourism will require significant additional capital and human resource investments in green technology and skills development. It will be important to prepare the labour force to enable them to match the capital investments needed in the green sectors of Mauritius. This will require initial training as well as skilling and upskilling of personnel at different levels. Green skills are likely to be required for all levels of personnel from managers to professionals, technicians, plant and machinery operators and elementary employees. A coordinated approach is needed between the public and private sector.

Policies to develop green skill will help to accelerate the transition and make it just for Mauritian men and women.

SPT 3

The achievement of the 5 strategic objectives to support Mauritius's vision to become a regional knowledge hub could be impacted by the amount of government funding available. Currently, a recurrent grant from the government is the main source of funding for the HEC and if funds needed to accomplish the action plan are not forthcoming, there are risks the action plan cannot be implemented in a timely manner. Human capital is another key driving factor to ensure a successful execution of the action plan. The right mix of skills and expertise is required, and staff are assumed to be fully trained and competent to be able to resolve any challenges in the action plan. To maximize the potential of its workforce and increase productivity, the HEC will review its human resource policies, work environment and establish targeted actions. Finally, investment in digitalization is critical to help fulfil the strategic objectives as it will enable the creation of various information systems and platforms to provide a supportive digital environment and enhance operational efficiency.

7.3 Characteristics of the Sustainability-Linked Finance Instruments

The financial characteristics of the Sustainability-Linked Finance Instruments can vary due to:

- (a) the achievement of or failure to achieve the SPTs by the target observation date
- (b) the failure to confirm the performance of the KPIs against the SPTs by a verification assurance report provided in a timely and satisfactory manner

Any variation of the financial characteristics will be commensurate and meaningful relative to the original Sustainability-Linked Finance Instrument's financial characteristics. Each Sustainability-Linked Finance Instrument may have one or more SPTs with an associated target observation date and financial implication.

The exact variation of the financial characteristics such as the amount, timing, and mechanism for payment of the financial implications will be specified in the corresponding legal documentation of the Sustainability-Linked Finance Instrument.

The corresponding legal documentation will also detail the definition of the KPIs, calculation methodologies, SPTs, target observation dates, trigger event dates (trigger event refers to the change in financial characteristics of the instrument as a result of

whether the SPT has been achieved), dates for verification assurance report to be provided, and any fallback mechanism if the SPTs cannot be calculated, observed, or reported in a timely and satisfactory manner.

Where relevant, additional language will be provided in the corresponding legal documentation to take into consideration:

(a) Potential impact on KPIs, SPTs or baselines from a change in KPI calculation methodologies, data accessibility, exceptional or extreme events which could significantly impact the regulatory, socioeconomic, and political environment. In such a situation, a recalculation of KPIs, SPTs or baselines may be carried out in good faith to reflect such a change, subject to:

- (i) The Mauritius government providing the rationale for the revision
- (ii) An external reviewer has confirmed that the proposed revision is in line with Mauritius' national policies and strategies, in line or more ambitious than initial level of ambition of SPT and there is no material impact on the original second party opinion provided to the issuer in connection with the framework. In case of a material impact, the framework will be revised, and a new second party opinion will be obtained

(b) Automatic adjustment to outstanding Sustainability-Linked Finance Instrument at the issuance of any future Sustainability-Linked Finance Instrument with a SPT of greater ambition that is based on the same KPI and target observation date. Such adjustments are intended to:

- (i) Reflect Mauritius' progressive strengthening of ambition over time
- (ii) Avoid coexistence of Sustainability-Linked Finance Instruments with different SPTs at the same target observation date for the same KPI
- (iii) Facilitate the reporting exercise by avoiding the need to validate the KPI against multiple SPTs

7.4 Reporting

Mauritius will publish and keep readily available and easily accessible, a report annually on the Ministry of Finance's website⁶⁰ at least until after the last SPT trigger event date. The report will be published no later than 30 June each year for data as of 31 December for the preceding year.

The report will include:

- Up-to-date information on the performance of the relevant KPI and baselines
- A verification assurance report outlining the performance of the KPI against the SPT
- Any other information enabling investors to monitor the level of ambition of the SPTs

Where feasible and possible, the report may also include:

- Qualitative explanation of the main factors, national strategies and/or policies driving the performance of the KPI
- Sustainability impacts from performance improvement in the KPI
- Any recalculation of KPIs, SPTs or baselines due to a change in KPI calculation methodologies, data accessibility, exceptional or extreme events

7.5 Verification

7.5.1 Second Party Opinion (Pre-Issuance)

Mauritius has appointed Sustainalytics to assess the Sustainability-Linked Finance Framework and its alignment with the SLBP, SLLP and issue a Second Party Opinion.

The Second Party Opinion will be made available on the Ministry of Finance's website.⁶⁰

7.5.2 Verification (Post-Issuance)

Mauritius is committed to engage an independent auditor to verify the performance of the KPI against each SPT annually, at least until after the last SPT trigger event date.

The auditor will provide a limited assurance verification report which will be made available on the Ministry of Finance's website.⁶⁰

⁶⁰ [Mauritius Ministry of Finance, Economic Planning and Development](#)

8. DISCLAIMER

The information and opinions contained in the Mauritius Sustainable Finance Framework and the Second Party Opinion are provided as at the date of these documents and are subject to change without notice. The Republic of the Mauritius does not assume any responsibility or obligation to update or revise such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise.

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