



# 2019 ANNUAL REPORT



MAY 2020

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## 1. Chapter 1: About the Regional Multidisciplinary Centre of Excellence (RMCE)

The Regional Multidisciplinary Centre of Excellence is driven by the Government of Mauritius (GoM) and was established in consultation with the European Union, the World Bank and Regional Economic Communities (RECs), namely, the Common Market for Eastern and Southern Africa (COMESA), the Southern African Development Community (SADC) and the Indian Ocean Commission (IOC).

The idea of RMCE emerged at the UN Conference on Small Islands held in Mauritius in 2003 during which it was noted that existing regional institutions on capacity building did not sufficiently address the unique circumstances of small states. At the Conference, the European Union also supported the idea of an institution to promote capacity building among countries of the region (COMESA, SADC and IOC). Mauritius sought the agreement of COMESA in 2005 for hosting the Centre in Mauritius, which was later endorsed by SADC and IOC. The EU provided funding for a feasibility study and a business plan which were undertaken with World Bank support. The European Union and the African Development Bank (AfDB) provided startup funding for the Centre during the process of its establishment while Mauritius continues to provide financial support for running of the Centre.

### *Highlights of RMCE's Accomplishments*

RMCE has over the years focused on capacity building in five core areas of common regional concern, namely: (a) macroeconomic management; (b) trade and transit; (c) cross-border finance; (d) business development and investment; and (e) common sectoral policies.

RMCE has capitalized on its host country, Mauritius, consistently being the Africa region's highest ranking nation on the *Ease of Doing Business Index* to organize a range of programmes - short courses, workshops, seminars, and conferences – in form of peer-to-peer exchanges and study tours for African institutions, in conjunction with the World Bank, with the objective of helping to improve the investment climate of countries, mostly in Eastern and Southern Africa, although impacting North Africa, Central Africa and West Africa as well.

More than 320 officials benefitted from capacity building programmes organised by the RMCE with support from development partners and Government of Mauritius.

As from 2013, RMCE served as Secretariat for a regional initiative and the Intra-Africa Talent Mobility Partnership (TMP) programme funded by Development Grant Facility of the World Bank. This programme covered twelve countries in Eastern Southern and Western Africa. RMCE is also providing coordination for the Accelerated Programme for Regional Integration (APEI) regrouping Malawi, Mauritius, Mozambique, Seychelles and Zambia.

The Annual Report highlights activities which began much earlier than the reporting year, culminating in the main actions that focused on the Centre serving as the Secretariat for a regional

initiative, the Accelerated Programme for Regional Integration (APEI) and the Intra-Africa Talent Mobility Partnership (TMP) programme funded by Development Grant Facility of the World Bank.

## **2. Chapter 2: Programmes**

### **2.1 Accelerated Programme for Economic Integration (APEI)**

The Accelerated Programme for Economic Integration (APEI) comprises five like-minded and reform-oriented countries, namely Malawi, Mauritius, Mozambique, Seychelles and Zambia, which launched the initiative in line with the spirit of accelerated integration based on the principles of variable geometry and variable speed. The APEI initiative is based on a decision of the Joint Council of Ministers of Finance and Governors of Central Banks of COMESA and SADC. Under the initiative, the five countries agreed to carry out reforms and build capacity to strengthen and accelerate the pace of economic integration among them in order to better harness foreign investment, enhance employment opportunities and foster higher economic growth and sharpen their competitive edge as a zone of influence. The APEI has helped the five countries to identify gaps and build capacity implementing concerning key areas of the Regional Economic agenda, i.e., enhancing the business environment, facilitating trade in services and promoting trade in goods.

During the year 2019, the following activity was undertaken under the APEI component:

#### **2.1.1 Eighth Meeting of Senior Officials**

The Eighth Meeting of the APEI Senior Officials was held from 28<sup>th</sup>February – 1<sup>st</sup> March, 2019 at the World Bank Office, Lusaka, Zambia under the Chairmanship of Malawi. Representatives from Malawi, Mauritius, Mozambique and Zambia, the World Bank, Commonwealth Secretariat and the RMCE.

The Regional Business Plan was presented by Mr. Ankur Huria, on behalf of the World Bank Group during the meeting which sets out the vision, objectives, and strategic priorities for engagement by APEI member countries. The meeting made comments in relation to the Business Plan reflecting the peculiar vulnerabilities of countries, and ensuring up to date information on trade and commerce is reflected in the iteration.

The meeting stressed the importance of monitoring progress of the Action Matrix and an updated progress report was submitted by all APEI countries.

The Meeting discussed the Coordination Mechanism for APEI and acknowledged the assistance offered by ACPTradeComII.

The Mutual Recognition Agreement between the Competent Authorities for Professional Accountants and Auditors was signed by Malawi, Zambia and Mozambique during the meeting.



## 2.2 Mobilisation of Resources for APEI

The World Bank has provided Trust Fund support for Technical Assistance to help define the reform program and TF support for the RMCE which has acted as a quasi-secretariat for APEI. The Bank has also led several other projects<sup>1</sup> in the APEI countries which are also trade-related and support the trade agenda but are not necessarily under the APEI initiative.

Technical Assistance from TradeCom II has been obtained under the ACP Trade Capacity Building Programme (REG/FED/24728) to support the APEI Programmes.

The Commonwealth Secretariat mobilised funds to support the audit of accounting regulations in APEI Countries and negotiating for the conclusion of a Mutual Recognition Agreement for Professional Accountants and Auditors among APEI Countries.

## 2.3 Outlook for 2020

As regards APEI, there is potential for consolidating economic integration towards contributing to structural transformation, trade creation and cross border flow of investment the next five years with the adoption of the APEI Regional Business Plan which reflects the APEI countries' need for a strategic framework in the initiative and develop a long term action plan.

The Business Plan aims to increase trade and regional integration with the objective of strengthening the competitiveness of APEI countries to stimulate investment for job creation and growth. It will seek to serve the following objectives:

1. Provide a pathway to meet the original objective of the APEI that is *'the five countries recognized the persistence of barriers to trade despite commitments to remove them through COMESA and SADC and agreed to collaborate and jointly accelerate implementation of such reforms'*;
2. Develop a strategic plan that is agreed upon by the APEI countries and importantly jointly advanced and implemented. *APEI countries will own their action plan*;
3. Seek to catalyze trade and investment to the APEI countries by reducing trade barriers and costs;

4. Aim at attracting private investment to reduce pressure on national public finances or creating new debt by utilizing tools approaches similar to the *World Bank's Maximizing Finance for Development approach*;
5. Have a focused approach on strategic initiatives that are inherently intrinsic to national development plans, policies and strategies and regional commitments to SADC and COMESA;
6. Finally, the Business Plan aims to catalyze the development of a set of pipeline projects for the APEI countries in the strategic areas identified through the plan.

### 2.3.1 Support from the ACP TradeCOM II

The project “Targeted support to the Regional Multidisciplinary Centre of Excellence (RMCE) for the Implementation of the Key Trade Components of its APEI Programmes” covered the implementation period from 15 July to 30 October 2019. It presented the progress of the work, the challenges of carrying out the activities, and the planning of the activities for the remainder of the project which lasted until 20 December 2019.

Workshops were held on **11-12 December 2019 in Mauritius** over three thematic areas in parallel meetings to discuss on Implementation of the Memorandum of Understanding (MOU) for the Facilitation of Movement of Business Persons and Professionals among APEI Countries; Mutual Recognition Agreements (MRAs) on Accountancy and the APEI Business Climate

The Workshops observed the following:

- **Movement of business persons and professionals in APEI countries: 11 December 2019**
- **Enhanced cooperation in trade in services in Accounting – Implementation of the MRA: 11 December 2019**
- **Enhancing the APEI business climate including through peer-review and intra private/public sector dialogue: 12 December 2019**

### 2.3.2 Support from the Commonwealth Secretariat

The RMCE has partnered with the Commonwealth Secretariat in the development of a Mutual Recognition Agreement between the APEI Competent Authorities of Professional Accountants and Auditors. The Commonwealth Secretariat provided technical and financial assistance for the development of the MRA including negotiating sessions and legal vetting.

#### **Mutual Recognition Agreement between the Competent Authorities for Professional Accountants and Auditors**

- The MRA between the APEI Competent Authorities of Professional Accountants and Auditors has been signed on 28<sup>th</sup> February 2019 in Lusaka, Zambia and is shown at Annex II.
- The adoption of the MRA marks another concrete step in the implementation of the Memorandum of Understanding for the Facilitation of Movement of Business Persons and Professionals between APEI countries in September 2018 as regards the movement of

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professional accountants and auditors in APEI. The signed MRA between the APEI Competent Authorities of Professional Accountants and Auditors is given at Annex 1.

## **2.4 Coordination Mechanism for APEI**

At present, The RMCE has been acting as the Interim Secretariat for the APEI with the Government of Mauritius provides financial support for the administration of the RMCE as per the Host Agreement between RMCE and the Government of Mauritius.

At a high-level meeting held in the sidelines of the Annual IMF/World Bank Meeting October 2017, representatives from all APEI member countries renewed their commitment to the APEI process and discussed the need for members to establish a more formal mechanism to coordinate the APEI process through a Secretariat / Coordinating Mechanism. Mauritius offered to confer land and a building to host a Secretariat / Coordinating Mechanism office, and to contribute to the running budget of a Secretariat / Coordinating Mechanism.

## **Other Programmes**

### **2.4.1 Coordination Mechanism for Economic Partnership Agreement (EPA) signatories in the Southern and Eastern African region and Indian Ocean (ESA).**

The Centre is providing office space to the European Union to host the Coordination Mechanism for deepening the EPA process.

### **2.4.2 Mauritius Africa Fund**

The Mauritius Africa Fund has shared office space and facilities on a contribution basis till February 2019.

### **2.4.3 Proposed Centre of Excellence for Education Policy and Administration. (CEEPA)**

The Government of Mauritius has proposed to use the RMCE to host the Centre of Excellence for Education Policy and Administration. The CEEPA is being developed in partnership with the World Bank to assist African countries.

### **3. Chapter 3: Organisation and Administration of RMCE**

#### **3.1 Contribution of the Government of Mauritius**

The Government of Mauritius (GoM) continued to provide financial support for the administration of the RMCE as per the Host Agreement between RMCE and the Government of Mauritius.

#### **3.2 Financial Statements**

The 2019 accounts have been audited by BIT Associates Ltd and filed with the Mauritius Registrar of Companies after approval by the shareholders.

2020 Accounts have already been audited by BIT Associates Ltd and upon finalisation, the report will be submitted to the shareholders for approval.

The 2019 accounts have been prepared by Moore Mauritius.

#### **3.3 Certificate of Company Secretary**

The certificate of Company Secretary is attached at Annex II.

#### **3.4 Staff**

Mr. Prakash Hurry is acting as the Officer in Charge of the Centre; Mrs. Minakshi Bahadoor is the Administrative and Operations Officer. The Centre is also supported by one attendant and one driver cum messenger.



## 4. Chapter 4: Corporate Information

### BOARD OF DIRECTORS

Dr. Ehtisham Ahmad	London School of Economics
Dr. Kingsley Y. Amoako	Africa Centre for Economic Transformation
Prof. Lino Briguglio	Small States Network for Economic Development
Mrs. Usha Dwarka - Canabady	Ministry of Foreign Affairs Regional Cooperation, and International Trade
Mr. Raj Makoond	Business Mauritius
Dr. Mrs. Thanika Devi Juwaheer	University of Mauritius

### STATUS

Private Company Limited by Guarantee  
established under the Mauritius Companies Act

### FOUNDING MEMBERS

Government of Mauritius  
Common Market for Eastern and Southern Africa  
Indian Ocean Commission

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**COMPANY SECRETARY**

Holton Corporate Secretarial Services Ltd  
6<sup>th</sup> Floor, Newton Tower  
Sir William Newton Street  
Port-Louis

**BANKER**

Mauritius Commercial Bank (MCB)  
9-15, Sir William Newton Street,  
Port Louis, Mauritius

**ACCOUNTANTS**

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6<sup>th</sup> Floor, Newton Tower  
Sir William Newton Street  
Port-Louis

**AUDITORS**

BIT Associates Ltd  
St Jean Road,  
Quatre Bornes

**BUSINESS REGISTRATION**

**NUMBER**  
C10094184