

REPUBLIC OF MAURITIUS

NATIONAL AUDIT OFFICE

COMPLIANCE AUDIT REPORT

SOCIAL INTEGRATION AND EMPOWERMENT OF VULNERABLE HOUSEHOLDS

SUSTAINABLE DEVELOPMENT GOAL 1 NO POVERTY

**MINISTRY OF SOCIAL INTEGRATION, SOCIAL
SECURITY AND NATIONAL SOLIDARITY**

MARCH 2026

FOREWORD

The Constitution of Mauritius provides for the public accounts of Mauritius and all authorities to be audited and reported on by the Director of Audit. Guided by the International Standards of Supreme Audit Institutions on Compliance Audit (ISSAI 4000), the National Audit Office carried out this compliance audit to reinforce accountability, transparency and good governance.

I am pleased to submit to the Honourable Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister of Finance and Minister for Rodrigues and Outer Islands, this Compliance Audit Report titled “Social Integration and Empowerment of Vulnerable Households” for tabling in the National Assembly.

Poverty, characterised by a lack of basic needs such as food, shelter, healthcare and education, is often associated with social exclusion and vulnerability. *Sustainable Development Goal 1: No Poverty* focuses on the eradication of all forms of poverty everywhere by 2030. To address the issue of poverty, the Government of Mauritius has implemented several policy measures to alleviate poverty including the provision of various support and empowerment schemes.

The Social Integration and Empowerment Act was enacted in 2016 to provide support to persons living in absolute poverty and encourage their integration into mainstream society. The Ministry of Social Integration, Social Security and National Solidarity is responsible for formulating policies and strategies to combat poverty and social exclusion, as well as driving and coordinating initiatives for the social integration and sustainable development of vulnerable households.

This Compliance Audit assessed whether the Ministry has complied, in all material respects, with the provisions of “*The Social Integration and Empowerment Act 2016*”. The Audit Report highlights gaps where improvements are needed. Systemic and operational shortcomings continued to hinder the effective implementation of the schemes. The recommendations formulated are intended to assist the Ministry in strengthening compliance, enhancing oversight and improving the overall effectiveness of social integration and empowerment initiatives.

I take this opportunity to thank the Senior Chief Executive and staff of the Ministry of Social Integration, Social Security and National Solidarity, as well as the Officer-in-Charge and staff of the National Empowerment Foundation, for their cooperation. I also wish to express my thanks to my staff for their hard work and dedication.



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16 March 2026

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ABBREVIATIONS AND ACRONYMS

AFD	Agence Française de Développement
CPOs	Community Project Officers
CSG	Contribution Sociale Généralisée
EIC	Employment Information Centre
HBS	Household Budget Survey
MITD	Mauritius Institute of Training and Development
MoU	Memorandum of Understanding
MPSC	Marshall Plan Social Contract
MRA	Mauritius Revenue Authority
NAO	National Audit Office
NEF	National Empowerment Foundation
NLTA	National Land Transport Authority
PMT	Proxy Means Test
RPL	Relative Poverty Line
SDGs	Sustainable Development Goals
SIL	State Informatics Ltd
SOPs	Standard Operating Procedures
SRM	Social Register of Mauritius
TEDPB	Training and Employment for Disabled Persons Board
UN	United Nations

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EXECUTIVE SUMMARY

Introduction

Poverty is a significant global issue, with millions of people facing hardship due to a lack of essential resources needed to meet their basic needs. While progress has been made worldwide, challenges persist in efforts to alleviate poverty. The United Nations has established Sustainable Development Goal (SDG) 1: No Poverty as a primary goal, striving to end poverty in all its forms by 2030.

Mauritius' approach to poverty reduction and achieving SDG 1 involves a multifaceted plan referred to as the Marshall Plan Against Poverty, which includes initiatives in the areas of social protection, employment, social housing and education, amongst others.

The Social Integration and Empowerment Act, enacted in December 2016, aims to encourage social integration and empowerment of persons living in absolute poverty. The Act focuses on establishing empowerment programmes or schemes and providing financial support to vulnerable groups.

The Ministry of Social Integration, Social Security and National Solidarity (also referred to as "the Ministry"), is responsible, amongst others, for formulating policies and strategies to combat poverty and social exclusion as well as driving and coordinating initiatives for the social integration and sustainable development of vulnerable households.

It is against this background that the National Audit Office (NAO) carried out a compliance audit on whether the Ministry has complied, in all material respects, with the provisions of The Social Integration and Empowerment Act 2016.

Key Findings and Recommendations

1. Inadequate Upkeep and Maintenance of the Social Register of Mauritius

Criteria: The Social Integration and Empowerment Act requires that the names and other relevant particulars of every person living in absolute poverty be registered in the Social Register of Mauritius (SRM), which shall be kept and maintained by the Minister to whom responsibility for the subject of social security is assigned.

(i) **Low Registration of Vulnerable Persons** - The SRM did not comprehensively capture all persons living in absolute poverty. In December 2023, 25,350 individuals were registered whereas Statistics Mauritius reported approximately 101,900 persons in poverty for the

Republic of Mauritius. As of June 2025, the number of eligible beneficiaries registered in the SRM was 34,035 for both Mauritius and Rodrigues.

During the years 2020 to 2025, the National Empowerment Foundation (NEF) carried out several awareness campaigns and media interventions to promote its services across various regions targeting the general public and local communities. However, despite these efforts, registration in the SRM remained relatively low indicating that these outreach activities did not adequately target specific vulnerable groups.

(ii) **Inadequate Maintenance of the SRM** - Information with social registers can become outdated quickly. The SRM requires regular review and updates to reflect changes in the circumstances of individuals and families. However, procedures and mechanisms for maintaining and updating the SRM database were not clearly defined. While certain validation and consistency checks were performed at local offices, no maintenance plan was in place. This gap increased the risk of outdated or inaccurate data, duplication, errors and inconsistencies, thereby restricting operational efficiency.

(iii) **Delays in the Revamping of the SRM** - The SRM system, based on outdated Oracle software, was identified as nearing obsolescence. Under the e-Social Security Project, the Ministry planned to replace it with a new integrated system. However, multiple specification reviews, unclear system requirements, and procurement delays hindered progress. Continued reliance on an outdated SRM system undermined the efficiency of registration of vulnerable persons and the determination of eligibility for support.

(iv) **Absence of Comprehensive Standard Operating Procedures** - The Ministry did not develop comprehensive Standard Operating Procedures (SOPs) to guide SRM operations. While a flowchart on SRM payments and instructions for conducting interviews of beneficiaries and filling the SRM Questionnaire were available, they did not meet the scope and requirements of formal SOPs. The processing of identifying and registering eligible individuals were consequently at risk of being subjective and inconsistent.

Root Causes: The Ministry did not have a programme or plan with defined goals and targets for carrying out outreach exercises to identify unregistered households living in absolute poverty. There was insufficient management commitment in establishing adequate procedures for the operation and maintenance of the SRM. The e-Social Security project experienced delays due to inadequate initial planning and capacity gaps in procurement and project oversight.

Recommendations: The Ministry should formulate and implement a structured and proactive outreach programme or plan to identify and register vulnerable households not listed in the SRM, hence ensuring that all eligible persons living in absolute poverty are duly registered.

Following the creation of the new technical and functional system for the updated SRM within the e-Social Security system, the Ministry should develop Standard Operating Procedures to identify persons in absolute poverty, improve operational consistency, and perform SRM maintenance through established procedures and a data maintenance plan.

2. Challenges regarding Eligibility to Receive Support

Criteria: Section 6 of the Social Integration and Empowerment Act states that every person shall be eligible to receive support where he lives in absolute poverty. In assessing the monthly income, any income, social aid, pension, living conditions or financial aid shall be taken into consideration. Section 7 allows an applicant not eligible for support to make an appeal to the Minister, who shall set up an Ad Hoc committee in this respect.

(i) **No Absolute Poverty Line** - According to Statistics Mauritius, the country did not have an absolute poverty line. In its absence, a 'fixed' threshold was derived from the Relative Poverty line of any Household Budget Survey year and adjusted with price changes over time. While both the relative and absolute poverty lines had their uses, relying solely on a relative poverty line could obscure the true extent of poverty and hindered effective poverty reduction efforts.

(ii) **Insufficient Assessment of Income and Living Conditions of Beneficiaries** – Weaknesses were identified in the verification of household monthly income and living conditions due to restricted data sharing with the Mauritius Revenue Authority and delays in obtaining vehicles registration data from the National Land Transport Authority. The evaluation process did not capture all sources of household income and social/financial aids as well as the full living conditions of beneficiaries, resulting in an incomplete assessment of the household's circumstances.

(iii) **Outdated Proxy Means Test** - Eligibility for assistance was based on two criteria, namely verified household income and a Proxy Means Test (PMT). The current PMT used to determine the eligibility of beneficiaries was based on the 2012 Household Budget Survey data of Statistics Mauritius and did not reflect the current income and prevailing socio-economic conditions of households following numerous government measures introduced since then.

The continued use of an outdated PMT further undermined the accuracy and fairness of eligibility determinations. Consequently, there was a risk that ineligible persons might receive support while genuinely vulnerable households were excluded.

(iv) **Delay in Determining Appeals** - An Ad Hoc Committee was set up in 2017 to look into appeals lodged by applicants who were informed by the Social Integration Division of their non-eligibility under the SRM. Meetings held from January 2024 to August 2025 were

reviewed, and it was noted that the Ministry faced constraints in the timely determination of appeals, which could lead to delays in applicants' access to social support.

Root Causes: Absolute poverty measurement was not carried out by Government institutions. Assessing the income of all household members proved challenging due to administrative burden and complexities. Additionally, the Ministry did not have the required technical competence to review the PMT. Absence of succession planning disrupted the timely functioning of the Ad Hoc Committee in determining appeals.

Recommendations: To enhance compliance, the Ministry should:-

- Adopt a poverty measurement approach aligned with current socio-economic conditions and in accordance with the Social Integration and Empowerment Act.
- Strengthen inter-agency data-sharing frameworks.
- Expedite the review and update of the PMT by establishing a dedicated task force comprising relevant stakeholders to lead the process, with clear timelines and accountability mechanisms.
- Ensure timely processing of appeals through the nomination of alternate committee members.

3. Operational Constraints in the Provision of Social Integration and Empowerment Initiatives

Criteria: Under Section 3 of the Social Integration and Empowerment Act, the Minister is mandated to set up such empowerment programmes or schemes which make provisions for combating absolute poverty, providing support to persons living in absolute poverty, and encouraging them to integrate the mainstream society.

(i) **Gaps in Programme Evaluation and Oversight** - During the financial years 2016-17 to 2024-25, the Ministry disbursed some Rs 3.6 billion on support schemes including grants to NEF for the implementation of empowerment and support programmes. The Ministry's oversight over programme implementation focused primarily on budget monitoring, rather than on quarterly progress reports on programmes/schemes.

It was only in February and March 2025 that the Ministry reviewed the outcomes of the Educational, Family, Health and Economic Empowerment Support Programmes/Schemes for the financial year 2023-24. The Programmes/Schemes showed limited effectiveness due to structural flaws, weak inter-agency coordination and collaboration as well as low participation.

(ii) **Insufficient Integration of Households into Mainstream Society** - One of the main aims of empowerment programmes or schemes set up by the Ministry was to encourage persons living in absolute poverty to integrate into mainstream society. During the financial years

2016-17 to 2024-25, 2,300 households in Mauritius and 553 households in Rodrigues exited the SRM either voluntarily or through handholding and empowerment programmes, reflecting slow progress in reducing dependency and low success in fostering sustainable livelihoods.

The estimated cost per household that exited the Marshall Plan Social Contract amounted to some Rs 1.2 million based on empowerment and educational support of some Rs 3.4 billion over the financial period 2016-2025 and the 2,853 households that exited the social contract during that period.

The training programme from December 2016 to December 2020 reached 2,162 beneficiaries in Mauritius. However, its conversion into tangible economic outcomes was limited. Training implementation faced delays, mismatches in training needs and training courses dispensed, uneven beneficiary access to training, and high dropout rates.

During financial years 2021-22 to 2023-24, 55 beneficiaries started small businesses and 26 secured employments linked directly to their training. However, only four individuals of the 55 beneficiaries moved out of poverty across the three years, raising concerns about the effectiveness of the programme and the impact of the training interventions.

(iii) **Lapses in Implementing Multi-Ministerial Training Initiative** – 1,722 beneficiaries in need of training were identified by NEF in the year 2021. A multi-ministerial training initiative was launched in 2022 to improve employability, but implementation shortfalls and low training uptake severely undermined the impact of the initiative.

The training programmes were not aligned with labour market demands, leading to poor job placements and outcomes. Many beneficiaries could not avail of training/courses with several institutions due to restrictive eligibility criteria.

Despite a Memorandum of Understanding signed in 2021 for five years with the Ministry of Agro-Industry and Food Security, only 36 beneficiaries were trained in July and August 2022 and no training was dispensed during the years 2023 to June 2025.

Registration at Employment Information Centres dropped from 55 per cent in 2022–23 to 18 per cent in 2024–25, suggesting low engagement of beneficiaries. Many failed to attend interviews or declined job offers.

Between the years 2018 and 2024, NEF facilitated the training of 108 SRM beneficiaries at Mauritius Institute of Training and Development, following which 14 graduated from the poverty threshold, indicating that, while training was delivered, it did not sufficiently translate into sustainable livelihoods.

Root Causes: The Ministry did not have a clear framework to monitor and evaluate social integration and empowerment programmes/schemes and to track the outcomes of training initiatives to improve their long-term impact. The existing approach focused on addressing the immediate needs of beneficiaries rather than building long-term economic self-sufficiency.

Recommendations: The Ministry should ensure that reviews of social integration and empowerment programmes and schemes shift from ad hoc exercises to a robust monitoring and evaluation mechanism enabling programmes to evolve, adapt, and genuinely empower households to graduate from poverty.

To better address the needs and challenges faced by the beneficiaries, the Ministry needs to carry out a comprehensive review and redesign of the training programmes that includes regular assessments, feedback analysis, and post-training follow-up mechanisms.

4. Weak Institutional and Monitoring Arrangements for the Implementation Programmes and Schemes

Criteria: Section 5 (1) of the Social Integration and Empowerment Act empowers the Minister to assign to the National Empowerment Foundation (NEF) or any other designated body with responsibilities related, amongst others, to identifying and assessing persons living in absolute poverty.

NEF was established as a state-owned private company in July 2008. Its role in promoting social integration and empowerment was later formalised in the Social Integration and Empowerment Act. The Ministry assigned NEF responsibilities through a Memorandum of Understanding (MoU). However, several shortcomings were observed in the assignment and oversight of these responsibilities.

(i) **Delay in Renewal of Memorandum of Understanding** – The Board of NEF was reconstituted in June 2025. The previous MoU expired in March 2025, and a new one was signed on 15 August 2025, five months later, leaving no formal agreement governing collaboration and accountability during that period.

(ii) **Inadequate Oversight over NEF Programmes/Schemes** – Although the MoU required NEF to submit quarterly progress reports, the reporting focused on fund disbursement. The Foundation did not report on the delivery of outputs/achievement of targets for each programme/project with respect to the implementation of action plans.

Root Cause: The Ministry demonstrated inadequate governance and forward planning in renewing the MoU and in ensuring that the core provisions of the Act were operationalised through the MoU. There was inadequate oversight over achievement of targets for each programme/project with respect to implementation of action plans.

Recommendations: To uphold accountability, the Ministry should ensure that NEF’s activities undertaken between March and mid-August 2025 are formally covered through an addendum to the renewed MoU. All future MoUs should be renewed before the expiry of the existing agreements to maintain continuous legal and operational coverage.

The Ministry should strengthen its monitoring and evaluation framework to ensure that NEF submits its quarterly progress reports covering both financial and non-financial indicators.

5. High Rate of Extension of Contracts and Recertifications

Criteria: Section 8 of the Social Integration and Empowerment Act states that, where a person is found to be eligible for support, he shall enter into an agreement with the Ministry. The social contract shall be for a limited duration and for a specific purpose. The Marshall Plan Social Contract (MPSC) formalises this agreement, tying financial assistance and empowerment schemes to a commitment from beneficiaries to participate in programmes that help them exit poverty.

(i) **Extension of Contract Duration Without Legal Vetting** - In 2022, the duration of the MPSC was extended from 12 to 24 months, with the possibility of a further 12-month extension, subject to the beneficiary being found eligible after a re-assessment exercise. However, this amendment was implemented without seeking the vetting or endorsement of the Attorney General’s Office, as was the practice previously.

The absence of the approval of the Attorney General’s Office indicated a lapse in administrative procedures, which could create a risk of establishing a precedent for procedural shortcuts.

(ii) **High Rate of Contract Extensions and Renewals** - Although contracts were signed for a limited duration, they were frequently renewed, or beneficiaries submitted fresh applications to re-register in the SRM and thereby continued to receive support.

Contract Extensions – A review of records from April 2024 to September 2025 showed that, on average, over 98 per cent of contracts reaching the 24-month term was extended for an additional 12 months. Extensions were granted without the head of household signing an addendum to formalise the renewal or reconfirm compliance with the contract’s conditions. This practice rendered extended arrangements legally unsupported and was inconsistent with the contract’s stated limited duration.

Contract Renewals – After the 3-year period, those who did not graduate from poverty were requested to proceed to the Regional Social Security Offices for a recertification exercise to reassess their eligibility for support. According to the Ministry’s reports, from January 2024 to

June 2025, there were 1,655 households that exited from the SRM, and there were 630 recertified cases during the said period. The Social Contracts of these households were renewed for another two years, with the possibility of extension for one more year.

Household registered in the SRM for a long period – As of May 2025, more than 1,500 households registered between 2016 and 2020 across Mauritius and Rodrigues remained eligible under the MPSC and continued to be listed in the SRM. This reflected a lack of structured follow-up to understand why households failed to graduate from poverty. The high incidence of contract extensions and re-registrations further indicated that the implementation of the social contract was not effective.

(iii) **Inadequate Implementation of Case Management** - Case management was a central feature of the MPSC, intended to provide ongoing guidance, monitoring, and follow-up support to households living in poverty. It required regular visits, monthly in the first six months, and every two months thereafter, by officers of NEF. Hence, 15 case management visits should be conducted over two years. However, NEF did not consistently carry out the required number of visits as stipulated in the MPSC.

Insufficient field visits, heavy caseloads, and manual reporting processes weakened NEF's ability to track and evaluate households' needs and progress, hence delaying their graduation from poverty.

Root Causes: The Ministry relied excessively on management discretion, which led to the bypassing of formal legal review of the MPSC. Also, both the Ministry and NEF lacked robust oversight and monitoring mechanisms, focusing on compliance metrics rather than assessing the actual socio-economic progress of beneficiaries.

Recommendations: The Ministry should:-

- Reinstate mandatory vetting of the Attorney General's Office for all contract extensions to uphold statutory compliance.
- Ensure that, whenever a social contract is extended, an official addendum or renewal agreement is duly prepared and signed by both the head of household and the authorised officer to formalise the extension and reaffirm the conditions.
- Strengthen its monitoring and evaluation framework, focusing more on household progress than only on compliance with the metrics.
- Carry out an in-depth investigation into the root causes of why many beneficiaries have not graduated from poverty despite benefiting from support over several years.

6. Changes in the Social or Financial Circumstances of Beneficiaries

Criteria: According to Section 8 of the Social Integration and Empowerment Act, where there is any change in the social or financial circumstances of a person who receives support, he shall, as soon as possible, inform the supervising officer of such change. Section 9 of the Act allows the Minister to suspend, cancel or terminate a support provided to a beneficiary where there is any change in the social or financial circumstances of the beneficiary.

(i) **Beneficiaries Exceeding Income Eligibility Threshold after Drawing Pension** - In 2021 and 2023, NAO reported several cases where the household income of beneficiaries exceeded the eligibility threshold, especially after members began receiving the Basic Retirement Pension. The Solicitor General confirmed in 2022 that the Ministry was legally empowered to enforce compliance with the MPSC, as the contract required beneficiaries to report income changes.

The Ministry informed NAO that, as from September 2023, a list of beneficiaries receiving Basic Retirement Pension was being submitted, on a monthly basis, to the Social Integration Division and verification was also conducted prior to the preparation of paysheets for subsistence allowance.

Moreover, Government introduced a monthly Income Support of Rs 10,000 as from September 2025 for those no longer eligible for Basic Retirement Pension. The Mauritius Revenue Authority (MRA) was responsible for putting in place a system to provide the Income Support to eligible persons. However, the Ministry was facing challenges in obtaining data from the MRA due to the absence of a formal data-sharing protocol and structured verification mechanisms.

The continued payment of subsistence allowance to ineligible households constituted non-compliance with the statutory framework governing social assistance and the eligibility conditions prescribed in the MPSC.

(ii) **Beneficiaries Exceeding Income Eligibility Threshold after Formal Employment** - 1,284 household beneficiaries (540 households in Rodrigues and 744 households in Mauritius) were identified in October 2024 as currently working in the formal sector and were no longer eligible to receive financial support from the government.

The Solicitor General confirmed, in November 2024, that the Ministry was legally empowered to terminate the Marshall Plan Social Contract in accordance with the Social Integration and Empowerment Act after giving notice to the beneficiaries to show cause. However, the Ministry withheld termination actions pending further inquiries and reviews of the continuous employment period of beneficiaries.

In April 2025, the Ministry proposed that support to beneficiaries be extended for 12 months after entering formal employment to avoid abrupt termination. As of July 2025, the Ministry was still working on a mechanism for tracking and monitoring households in formal employment and suspending payments once the 12-month criterion was met.

This situation created inequalities in the assessment of eligibility for support as continuous employment with the same employer for less than 12 consecutive months was not a criterion used to assess eligibility when applying for registration in the SRM.

Root Causes: The Ministry demonstrated insufficient oversight and commitment in ensuring compliance with eligibility requirements under the Social Integration and Empowerment framework. Existing information systems did not capture dynamic changes in beneficiaries' income or employment status.

Recommendations: The Ministry should establish a formal data-sharing protocol with relevant stakeholders and implement a robust mechanism for tracking and monitoring beneficiaries engaged in formal employment, with a focus on ensuring the timely suspension of subsistence allowance for beneficiaries who no longer meet eligibility requirements.

The Ministry should ensure that the forthcoming e-Social Security system capture and update changes in beneficiaries' income, employment, and household circumstances.

Conclusion

With the establishment of the SRM and the implementation of various empowerment and integration programmes, there has been positive developments in reducing poverty. However, significant challenges persist in providing support to vulnerable persons.

Key gaps include limited registration of vulnerable households, insufficient SRM maintenance, weak inter-agency data sharing, outdated eligibility criteria, and low graduation from poverty.

These shortcomings are primarily due to insufficient management oversight, lack of technical capacity, administrative delays, a reliance on beneficiaries to self-register rather than proactive identification and weak monitoring and evaluation mechanisms.

Based on the above findings, the audit concludes that the Ministry of Social Integration, Social Security and National Solidarity has not complied, in all material respects, with the Social Integration and Empowerment Act 2016 for the period under review.

CHAPTER ONE

INTRODUCTION

This Chapter provides a background of the subject matter examined, the motivating factors, and the audit approach used in carrying out the audit.

1.1 Background

Poverty remains a significant global issue, with millions of people facing hardship due to a lack of essential resources needed to meet their basic needs. While progress has been made worldwide, particularly in reducing extreme poverty¹, challenges persist in poverty alleviation efforts.

The United Nations (UN) has established the eradication of poverty as a primary goal, focusing on ending extreme poverty and reducing poverty in all its forms. This is a central component of the Sustainable Development Goals (SDGs), specifically SDG 1: No Poverty which aims to ensure that, by 2030, all people everywhere will be above the extreme poverty line. The UN also recognises that social inclusion policies and systems play a critical role in promoting an inclusive society and are crucial for fostering stable, safe, harmonious, peaceful and just societies.



SDG 1 – No Poverty

The UN SDG Report 2025 highlights that extreme poverty persists, affecting 1 in 10 people worldwide and that recent crises have stalled progress. A world without poverty will require urgent actions to raise social protection coverage in developing nations, close spending gaps on essential services, and target resources to the most vulnerable populations.

Social integration and empowerment measures around the world focus on incorporating vulnerable groups into mainstream society and enhancing their capacity to participate fully in social and economic life. These measures often involve a combination of policy interventions, social protection programmes and community-based initiatives designed to address specific needs and challenges faced by vulnerable groups while promoting inclusiveness and economic empowerment.

¹ Extreme poverty, as defined by the United Nations, is a condition characterized by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information. It depends not only on income but also on access to essential services.

Mauritius officially eradicated extreme poverty in 2017,² however, poverty still exists in other forms. According to the Poverty Analysis Report issued by Statistics Mauritius in February 2025, the number of households in relative poverty³ for the Republic of Mauritius was 29,800, comprising 101,900 persons and representing 8.4 per cent of the population. The proportion of households living below the Relative Poverty Line has hovered around 8 to 10 per cent of overall households in recent years.

Mauritius' approach to poverty reduction and achieving SDG 1: No Poverty involves a multifaceted plan referred to as the Marshall Plan Against Poverty, which includes initiatives in the areas of social protection, employment, social housing and education, amongst others. The Marshall Plan Against Poverty was adopted in 2016 to scale up government's efforts in eliminating poverty, focusing mainly on empowerment programmes, promotion of inclusive growth, and facilitating social progress.

The Social Integration and Empowerment Act, enacted in December 2016, aims to encourage social integration and empowerment of persons living in absolute poverty⁴. The Act focuses on establishing empowerment programmes or schemes and providing financial support to vulnerable groups.

The Ministry of Social Integration, Social Security and National Solidarity, also referred to as "the Ministry," is responsible, amongst others, for formulating policies and strategies to combat poverty and social exclusion as well as driving and coordinating initiatives for the social integration and sustainable development of vulnerable households.

1.2 Audit Motivation

Over recent years, local media have consistently spotlighted poverty – from examining government interventions and statistical trends to highlighting inequality, gendered impacts, and people's real-life struggles. While statistical indicators show modest progress, many voices emphasise that for many families, social and economic hardship persists.

To address poverty, Government has committed to promoting inclusive growth, poverty alleviation, and the empowerment of vulnerable groups as part of its national development

² The World Bank, in its latest report on Poverty and Equity Brief of October 2025, has highlighted that Mauritius has eradicated extreme poverty in 2017.

³ Relative poverty is a state where individuals lack the resources necessary to maintain the average standard of living in their society. It is defined relative to the income and wealth of the rest of the population. A common benchmark is having a monthly household income below a certain percentage of the national median such as 50%.

⁴ Absolute poverty is a situation where individuals cannot afford to acquire the basic necessities for a healthy and safe existence. It is measured against a fixed minimum standard often expressed as a daily income.

agenda and its obligations under international conventions. Social integration and empowerment programmes are central to ensuring that no citizen is left behind, particularly those facing poverty and social exclusion.

The Marshall Plan Against Poverty is implemented as from the financial year 2016-17. It lays emphasis on social inclusion of traditionally disadvantaged populations and followed the “Leaving No One Behind” principle. In a bid to empower those at the lowest rungs of the social ladder, a subsistence allowance is paid since December 2016 to beneficiaries living below the relative poverty threshold. For the financial years 2016-17 to 2024-25, the Government of Mauritius disbursed some Rs 2.4 billion as subsistence allowance.

The Social Integration and Empowerment Act 2016 provides for the creation of a Social Register of Mauritius (SRM), a dynamic database in which the names and other particulars of persons living in absolute poverty are registered. The SRM is used to determine eligibility for Empowerment Support Schemes.

As of June 2025, there were 3,794 households in Mauritius, representing 14,908 citizens who were registered in the SRM and were eligible to receive assistance. The beneficiaries have signed the Marshall Plan Social Contract (MPSC), which is conditional to the provision of income support.

Some Rs 202 million was disbursed during the financial year 2022-23 with respect to Empowerment Support Schemes, while for the financial years 2023-24 and 2024-25, more than twice the amount – that is some Rs 452 million and Rs 479 million respectively – was spent on payment of Empowerment Support Schemes. For the financial years 2016-17 to 2024-25, total expenditure on poverty alleviation and empowerment amounted to Rs 4.2 billion.

Given the importance of these initiatives, a compliance audit is necessary to provide an independent assurance that the policies, programmes, and related expenditures are being implemented in line with applicable laws and regulations as well as ensuring that:

- the Ministry and its allied agencies are adhering to the principles of transparency, accountability, and good governance in programme delivery;
- beneficiaries are receiving the intended support; and
- programme objectives are contributing meaningfully to reducing inequality and enhancing the welfare of vulnerable groups.

It is against this background that the National Audit Office (NAO) carried out a compliance audit on the Ministry of Social Integration, Social Security and National Solidarity’s adherence to The Social Integration and Empowerment Act 2016.

1.3 Audit Objective

The audit assessed whether the Ministry has complied, in all material respects, with the provisions of The Social Integration and Empowerment Act.

1.4 Audit Design

The audit was designed by formulating audit questions, and the answers to these questions supported the conclusion against the objective. The audit questions are as follows:

- (i) Was the Social Register of Mauritius properly kept and adequately maintained?
- (ii) Was eligibility for support to beneficiaries appropriately determined?
- (iii) Did the Ministry establish and implement empowerment programmes that combat absolute poverty, provide support to persons living in absolute poverty, and encourage their integration into mainstream society?
- (iv) Were the responsibilities for identifying persons living in absolute poverty and assessing their needs, empowerment programme implementation/monitoring/evaluation, changes in circumstances of beneficiaries, and compliance oversight appropriately delegated to the National Empowerment Foundation or any other body?
- (v) Was a social contract signed for a limited duration and for a specific purpose, and were the provisions of the contract adhered to?
- (vi) Were beneficiaries' support suspended, cancelled or terminated in cases where there was any change in the social or financial circumstances of the beneficiaries?

1.5 Subject Matter and Audit Scope

This compliance audit examined the activities of the Ministry of Social Integration, Social Security and National Solidarity as well as the Ministry's assignment of responsibilities to the National Empowerment Foundation (NEF), for alleviating poverty and promoting social integration and empowerment of persons living in absolute poverty.

The geographical coverage excluded Rodrigues and Outer Islands. The audit covered the period January 2020 to June 2025 and was supplemented, where appropriate, with information related prior to that period to provide context and support the audit analysis. Also, information up to September 2025 was included in the report to provide insight into the latest developments in the area.

1.6 Audit Criteria

Audit criteria are the benchmarks used to evaluate or measure the subject matter consistently and reasonably. They are also used as a basis for evaluating the evidence collected, developing audit findings and reaching a conclusion on the audit objective.

The audit criteria were extracted from the following authorities:

- Marshall Plan Against Poverty 2016
- The Social Integration and Empowerment Act 2016
- Marshall Plan Social Contract
- National Empowerment Foundation's Constitution
- Finance and Audit Act
- Financial Management Manual

Details on the audit criteria used are provided in the relevant paragraphs of the Report.

1.7 Audit Methodology

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAI) 4000 Compliance Auditing Standard of the International Organisation of Supreme Audit Institutions (INTOSAI).

Different methodologies were used to understand the audit area, along with obtaining sufficient and appropriate audit evidence to support the conclusion and recommendations. Data and information relating to policies, guidelines, regulations, structures, processes, systems, procedures and practices were gathered mainly from document reviews. This was complemented by interviews of key personnel at operational, middle and senior management levels at the Ministry and NEF to confirm the information in files. Interviews also helped in obtaining explanations where information was not available in the reviewed documents.

The audit team was not provided with all information requested from the Social Integration Management Information System (SIMIS), a computerised system of the Social Integration Division used for payment of allowances to eligible beneficiaries registered under the SRM.

Section 110 of the Constitution provides that the Director of Audit or any person authorised by him to have access to all records, reports and other documents relating to the audit of the public accounts of Mauritius. The restriction of information from the SIMIS database did not result in impaired findings as they were substantiated through alternative documents reviewed by the audit team.

Audit findings were developed by comparing the factual situation with the audit criteria. The subject matter and criteria were selected, taking into consideration risk and materiality. By measuring the subject matter evidence against the criteria, the auditor is able to form a conclusion. The conclusion is expressed in the form of findings, answers to specific audit questions, recommendations or an opinion.

The audit conclusion expresses the auditor's view on whether the subject matter is compliant in all material respects with the applicable criteria.

1.8 Data Validation

The management of the Ministry of Social Integration, Social Security and National Solidarity was provided with the audit findings, root causes, conclusions and recommendations to confirm their relevance, accuracy and suitability.

1.9 Structure of the Report

Chapter One provides a background of the subject matter examined, the motivating factors, and the audit approach used in carrying out the audit.

The remaining part of the Report covers the following:

- Chapter Two describes the roles and responsibilities of key stakeholders, the audit area, and key aspects in the Ministry's compliance with the provisions of The Social Integration and Empowerment Act 2016;
- Chapter Three presents the findings, consequences, root causes, conclusions and recommendations based on the six specific audit questions; and
- Chapter Four provides the overall audit conclusion.

CHAPTER TWO

DESCRIPTION OF THE AUDIT AREA

This Chapter describes the roles and responsibilities of key stakeholders, the audit area, and key aspects in the Ministry's compliance with the provisions of The Social Integration and Empowerment Act 2016.

2.1 Ministry of Social Integration, Social Security and National Solidarity

The Ministry of Social Integration, Social Security and National Solidarity (also referred to as “the Ministry”) operates through two main divisions: the Social Integration Division and the Social Security and National Solidarity Division.

2.1.1 Social Integration Division

The Social Integration Division is responsible for the implementation of Government measures for poverty alleviation and empowerment of vulnerable families eligible under the SRM. It aims to mainstream these families in society and improve their quality of life in a sustainable manner through the provision of an effective and efficient service delivery.

The vision of the Social Integration Division is the eradication of extreme and chronic poverty and the creation of an inclusive and more equitable society.

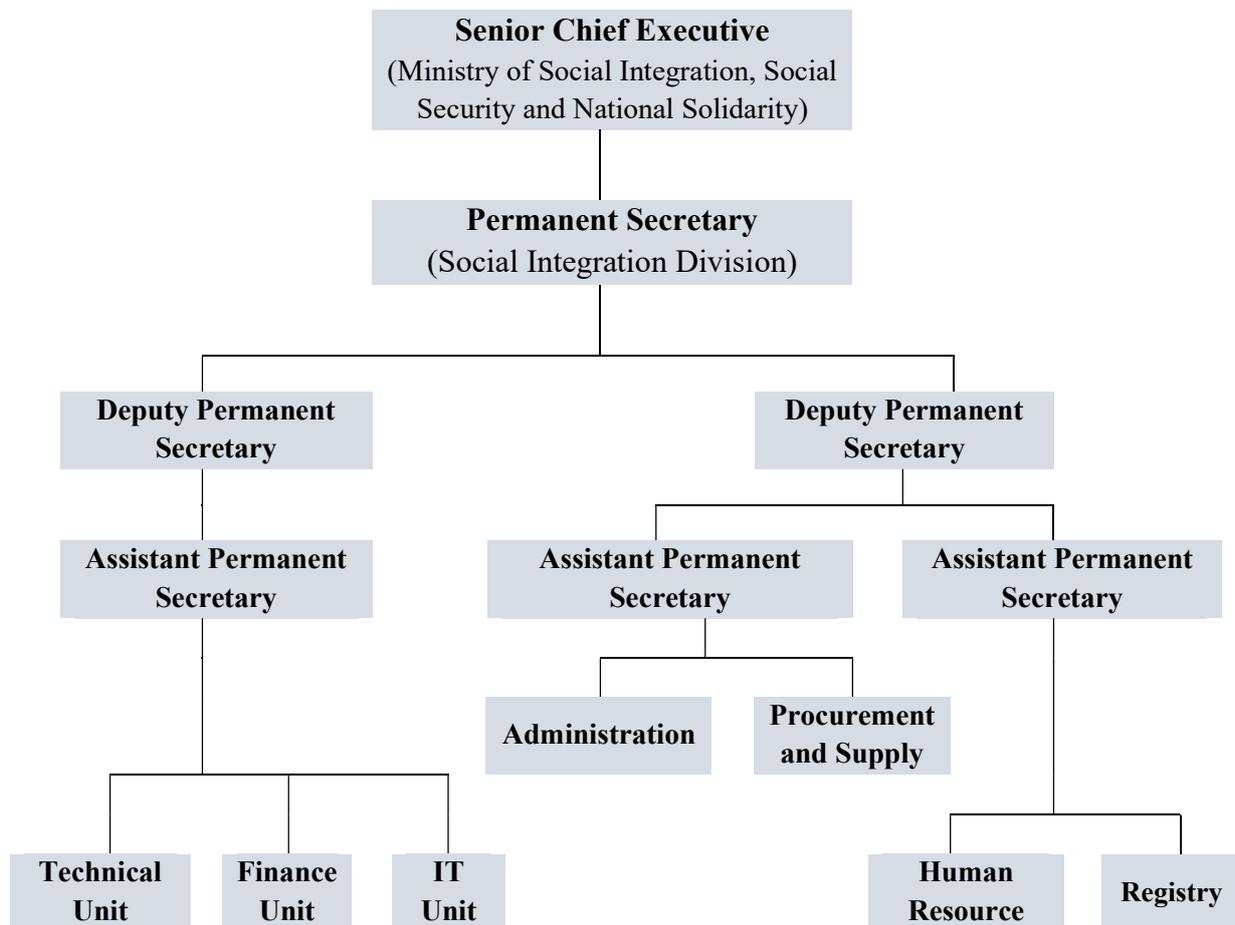
Its mission is to support and empower the vulnerable groups who are registered and found eligible under the SRM with a view to mainstreaming them in society and improving their quality of life in a sustainable manner through the provision of an effective and efficient service delivery, rooted in equity, fairness and impartiality.

The main roles and functions of the Social Integration Division are to:

- Formulate policies and strategies to combat poverty and social exclusion;
- Drive and coordinate initiatives for the social integration and sustainable development of vulnerable households;
- Encourage and assist vulnerable households to undertake income earning activities to become economically independent;
- Widen the circle of opportunities for the empowerment of the vulnerable households;
- Eradicate absolute poverty and improve the living conditions of the poor; and
- Lay the foundation for sustainable human development and improve the life chances of children of poor households by providing a package of support programmes and opportunities for learning and development from a very early stage.

2.1.2 Structure of the Social Integration Division

A clear and appropriate organisational structure is essential to facilitate decision-making and enhance operational efficiency. Figure 1 illustrates the current structure of the Division, showing the lines of authority and key functional areas and allocation of responsibilities relevant to the audited activities.



Source: Social Integration Division

Figure 1: Organisational Chart of the Social Integration Division

2.1.3 Social Security and National Solidarity Division

The vision of the Social Security and National Solidarity Division is to provide fair, equitable and responsive social protection in a sustainable manner to citizens with special attention to senior citizens, persons with disabilities as well as vulnerable persons and to reinforce national solidarity.

The mission of the Division is to promote and enhance social protection and national solidarity and empower persons with disabilities, elderly persons and local communities to improve their quality of life.

The Division is mandated to provide a range of services, some of them are to:

- Provide social aid and assistance;
- Assist, empower and integrate persons with disabilities, the elderly and other vulnerable groups;
- Provide financial assistance to persons facing severe personal hardship;
- Pay Contributory Pensions, Non-contributory Pensions and Industrial Injury Allowances under the National Pensions Act and Social Contribution and Social Benefits Act 2021; and
- Enhance the welfare of vulnerable groups.

The Division is the custodian of the SRM, and it processes applications from vulnerable citizens to register in the SRM at Regional Social Security Offices.

2.2 The Legal Framework

The primary legislation governing the empowerment of vulnerable groups and their integration in the mainstream of society is The Social Integration and Empowerment Act. Enacted in December 2016, this piece of law makes provision for the establishment of empowerment support schemes/programmes to combat absolute poverty and financial support to households found eligible under the SRM.

Pursuant to the Social Integration and Empowerment Act 2016, regulations were promulgated for each empowerment support scheme, detailing the specific forms of support to be provided. These are outlined below:

- Social Integration and Empowerment (Child Allowance Scheme) Regulation 2019
- Social Integration and Empowerment (Creche Scheme) Regulation 2019
- Social Integration and Empowerment (Free Examination Fees Scheme) Regulation 2019
- Social Integration and Empowerment (School Materials Scheme) Regulation 2019
- Social Integration and Empowerment (Creche Scheme) Regulation 2019
- Social Integration and Empowerment (School Premium Scheme) Regulation 2019

2.2.1 Poverty Threshold

A poverty threshold is a monetary figure that represents the minimum income required for a person or a family to meet their basic needs. The threshold is thus a per capita income based on the household size. The poverty threshold is used to determine eligibility for the subsistence allowance scheme, which is governed by the Social Integration and Empowerment Act.

In the Budget Speech 2023-2024, it was announced that the threshold for eligibility under the SRM was being increased to Rs 3,575 for an adult and to Rs 2,500 for a child. The maximum household income threshold for a family of two adults and three children was capped at Rs 14,650 with effect from 1st July 2023 through The Finance (Miscellaneous Provisions) Act 2023 (Table 1 refers).

Table 1: Poverty Threshold of Different Household Compositions

No. of Adults	Number of Children					
	0	1	2	3	4	5
1	3,575	6,075	8,575	11,075	13,575	14,650
2	7,150	9,650	12,150	14,650	14,650	14,650
3	10,725	13,225	14,650	14,650	14,650	14,650
4	14,300	14,650	14,650	14,650	14,650	14,650
5	14,650	14,650	14,650	14,650	14,650	14,650

Source: The Finance (Miscellaneous Provisions) Act 2023

2.3 The Social Register of Mauritius

The Social Register of Mauritius (SRM) is a database of all potential beneficiaries of social programs. It is meant to improve the efficiency and effectiveness of social programs so that limited programme resources reach those who really deserve them. It has been designed to become an exhaustive and centralized database of social program beneficiaries with the objectives to:

- better identify beneficiaries of social programmes;
- manage social programmes in an integrated way;
- better harmonise the criteria for the different social programmes run by different Ministries; and
- analyse cyclical and structural poverty reduction policies.

The SRM is an instrument to assist the Government in identifying the beneficiaries of social programs and deciding the level of assistance for each beneficiary. It also serves to evaluate existing social programme and improve performance and service delivery.

Since October 2018, registration under the SRM is carried out at social security offices across the island. The registration and processing of applications are detailed in the following paragraphs.

2.3.1 Registration and Processing of Applications under the SRM at the Social Security and National Solidarity Division

The Social Security and National Solidarity Division is the custodian of the SRM and processes the eligibility of applicants as follows:

- Applications for Subsistence Allowance under the SRM are registered at the Regional Social Security Offices. Higher Social Security Officers conduct site visits to verify information given by applicants and assess their living conditions.
- The SRM Unit of the Social Security and National Solidarity Division will determine the applicant's eligibility status. A Proxy Means Test (PMT) is run at the SRM Unit to ascertain the standard of living of the household.

The PMT is a tool that uses many variables to calculate the living standard of a household. The variables (gender and age of Head of household, number and age of all members in household, type of building occupied, number of rooms, access to water, electricity and others) have different coefficients.

- The living standard generated by the PMT is compared with the household threshold and the Total Verified Declared Income to assess eligibility or non-eligibility to the monthly Subsistence Allowance. The household threshold is a per capita income threshold based on household size.
- Once the registration and eligibility determination processes are completed, the results are retrieved by the Social Integration Division.

2.3.2 Processing of Applications under the SRM at the Social Integration Division

After PMT processing, the eligible and non-eligible cases are pushed to the Social Integration Division's database for processing and awarding of benefits:

- The Social Integration Division issues notices to the applicants to inform them of the outcome of their applications.
- If applicants are deemed eligible under the SRM, they will receive an official letter from the Social Integration Division inviting them to sign the Marshall Plan Social Contract at the National Empowerment Foundation's headquarters.
- Where an applicant is deemed ineligible under the SRM, once he receives his letter of ineligibility and if he does not agree with the decision, he can file an appeal on a form within 21 days at the headquarters of the Social Integration Division.

If the applicant files an appeal within 21 days, a Special Committee (also known as an Ad Hoc Committee) established at the Social Integration Division will review the applicant's appeal.

The SRM Unit will conduct a further exercise to maintain or remove the applicant's ineligible status. New visits are carried out to confirm any change in the household circumstances and the PMT is run again to ascertain the eligibility or non-eligibility of the household. The Social Integration Division is accordingly informed.

- If the applicant refuses to appeal, he will remain ineligible, and it will be six months after receiving his letter of ineligibility that he will be able to make a new application for registration under the SRM at the Social Security Office closest to his residence.

2.3.3 Marshall Plan Social Contract

The Marshall Plan Social Contract establishes a reciprocal commitment between the government and persons living in absolute poverty. The Ministry assumes the responsibility of providing a monthly subsistence allowance to the head of SRM eligible households to meet their basic needs while beneficiaries commit to participating in empowerment programmes designed to build their skills with a view to move out of poverty. This agreement aims to eliminate absolute poverty by providing financial support, personalised case management and fostering social integration.

2.4 National Empowerment Foundation

The National Empowerment Foundation (NEF) is the implementing arm of the Social Integration Division. It is a not-for-profit, State-owned Company established under the Companies Act in 2008.

The Foundation is managed by a Board of Directors which oversees its overall performance and strategy and is composed of multi-stakeholder representatives. The day-to-day running and administration of the affairs of the Foundation falls under the responsibility of a Chief Executive Officer, who is answerable to the Board.

The vision of NEF is to eradicate extreme and chronic poverty and strive for a more inclusive and equitable society. Its mission is to support and empower vulnerable groups, aiming at their integration into society and sustainably improving their quality of life through the provision of effective and efficient services marked by equity, justice and impartiality.

The core function of NEF is to ensure the case management of the families eligible under the SRM in accordance with the Marshall Plan Social Contract and to deliver a range of empowerment support services, namely:

- Assessing the needs of families found eligible under the SRM;
- Implementing Empowerment Programmes and Schemes;
- Providing social support and counselling to SRM beneficiaries (Case Management Approach);
- Monitoring of the Marshall Plan Social Contract signed by households and tracking of their progress to ensure their graduation out of poverty;
- Keeping under review any change in the social or economic status of any person who is receiving support; and
- Monitoring and evaluating of Empowerment Programmes/Schemes.

2.4.1 Processing of Applications under the SRM at the National Empowerment Foundation

Applicants deemed eligible are requested to sign the Marshall Plan Social Contract at NEF as follows:

- Eligible applicants under the SRM will receive an official letter from the Social Integration Division inviting them to sign the Marshall Plan Social Contract at NEF headquarters.
- The Marshall Plan Social Contract is signed in three original copies, by a NEF officer on behalf of the Chief Executive Officer of the Foundation and the beneficiary. One copy is retained by the beneficiary, one for NEF, and the third one for the Social Integration Division.
- The applicant, who signed the Marshall Plan Social Contract, is now a beneficiary under the SRM and must comply with the conditions of the Marshall Plan Social Contract. Therefore, they will be required to provide all information requested by NEF officers during their regular home visits.

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CHAPTER THREE

FINDINGS, ROOT CAUSES AND RECOMMENDATIONS

This chapter presents the findings, consequences, root causes, conclusions and recommendations with respect to the Ministry's compliance with The Social Integration and Empowerment Act 2016.

The findings have been organised into five parts to answer the audit objective as follows: –

- A: The Social Register of Mauritius
- B: Eligibility of Beneficiaries
- C: Empowerment Programmes/Schemes
- D: Assignment of Responsibilities
- E: Suspension, Cancellation or Termination of Support

Part A: The Social Register of Mauritius

3.1 Upkeep and Maintenance of the Social Register of Mauritius

The Social Register of Mauritius (SRM) is a centralised, dynamic database of individuals and households living in absolute poverty, established in 2008 to identify and register beneficiaries for social support programmes. The goal of the SRM is to facilitate targeted, efficient, and sustainable social aid to help vulnerable persons move out of poverty and become more autonomous.

Criteria: Section 4 of the Social Integration and Empowerment Act stipulates that there shall be a register, known as the Social Register of Mauritius, in which the names and other relevant particulars of every person who lives in absolute poverty shall be registered. The Register shall be kept and maintained by the Minister to whom responsibility for the subject of social security is assigned or by such other body as may be prescribed.

Situation Found: A social register, in which the names and other particulars of persons who presented themselves for registration at regional social security offices, was kept by the Social Security and National Solidarity Division of the Ministry of Social Integration, Social Security and National Solidarity.

However, several shortcomings were noted in the Ministry's compliance with the requirements of Section 4 of the Act and these are outlined in the following paragraphs.

3.1.1 Low Registration of Vulnerable Persons

The Social Integration and Empowerment Act stipulates that the names and other relevant particulars of “every” person who lives in absolute poverty shall be registered in the SRM. However, the SRM did not comprehensively capture all persons in absolute poverty.

According to the Poverty Analysis Report 2023 issued by Statistics Mauritius, the country did not have an absolute poverty line. In its absence, Statistics Mauritius used the Relative Poverty Line (RPL)⁵. A ‘fixed’ threshold was derived from the RPL of any Household Budget Survey (HBS) year and adjusted with price changes over time.

As per Statistics Mauritius, in 2023, the number of households in relative poverty (that is, falling below the Relative Poverty Line) for the Republic of Mauritius was 29,800, comprising 101,900 persons, while the number of households registered in the SRM for both Mauritius and Rodrigues as of December 2023 was 6,532, comprising 25,350 individuals.

As of June 2025, the number of eligible households registered in the SRM for Mauritius was 3,794, representing 14,908 beneficiaries compared to December 2020, when the number of households was 7,664, consisting of 34,171 individuals. Table 2 refers.

Table 2: Number of Households and Beneficiaries Registered in SRM for Mauritius

As of	No of Households	No of beneficiaries
December 2020	7,664	34,171
December 2021	3,618	14,999
December 2022	3,809	15,876
December 2023	3,389	13,764
December 2024	4,164	16,539
June 2025	3,794	14,908

Source: Social Integration Division

There were 9,182 eligible households in both Mauritius and Rodrigues on the SRM as of June 2025, representing 34,035 individuals.

⁵ Relative Poverty Line is defined in relation to the distribution of income / expenditure of a country at a given point in time. It is usually set at a certain percentage of the median income. It changes with the median from year to year. Such a line helps to measure dynamic improvements of the poor over time. But it cannot be used to monitor poverty level over time.

Absolute Poverty Line is fixed at a point in time and adjusted with price changes to monitor poverty level over time. It can be applied to any income/ expenditure distribution.

There was a significant gap between the number of households in need and those actually benefiting from social assistance schemes. This indicated a potential coverage gap which raised concerns over outreach and targeting effectiveness. As of August 2025, exercises to identify poverty-stricken areas or groups of individuals living in poverty, such as mapping exercises, were not carried out by the Ministry or NEF.

As registration in the SRM served as the sole eligibility criterion for access to financial and empowerment support, unregistered vulnerable individuals might miss out on the support required to integrate into mainstream society. This would lead to inequality and social marginalisation while also reducing the effectiveness of poverty alleviation policies and strategies.

To bridge the gap between the number of persons in absolute poverty and those actually registered, it was important to undertake proactive outreach activities to bring vital information and services directly to people who needed them.

Ministry's Response

Some households, despite being in need, choose not to register on the SRM, preferring to strive, work hard and support themselves rather than seek assistance from the Government. While support mechanisms are available, these households consciously opt to pursue their own paths through effort and perseverance.

The observed reduction in the number of households assessed as eligible under the SRM can be explained by a combination of operational and socio-economic factors such as:

- Improvement in household income stability and economic conditions which have contributed to fewer households meeting the criteria for SRM eligibility.
- The transition to the PMT 2 model introduced revised weightings and enhanced household characteristic variables which, as a result, recalibrated the estimated welfare scores of households, leading to a reduction in the number qualifying under the updated parameters.

In line with the policy of promoting inclusiveness and social integration and not cause prejudice to potential beneficiaries, no specific region is identified as poverty-stricken areas so as not to give rise to any stigmatisation.

Outreach Initiatives - Outreach activities are events designed to extend a knowledge, service or organisation's efforts beyond its usual environment to engage with a wider audience or community. These exercises aim to inform, educate, build relationships, provide services, and make expertise accessible to the general public or vulnerable population that may not otherwise have access to those services. Examples include public talks, workshops, school visits and community events.

Vulnerable persons may struggle to access services due to various reasons such as life circumstances, lack of awareness, hesitation due to stigma or misinformation. Outreach initiatives can bring services directly to them, thus fostering trust and connection, ensuring everyone has access to the resources they need.

From 2020 to 2024, NEF undertook several awareness campaigns on its services in various regions across Mauritius, targeting the general public and inhabitants of the localities. Media interventions were also undertaken, mainly through local radio, brushing on several topics related to social integration and empowerment.

In 2025, only two campaigns were undertaken, one on Financial Literacy for Women of a locality and another one on NEF Services for the inhabitants of a village. During that period, two interventions on local radios were done.

However, despite these efforts, registration in the SRM remained relatively low, suggesting that these activities were not addressing specific vulnerable groups and issues such as misalignments between campaign and actual vulnerable citizens. While activities were implemented, there was insufficient evidence that these initiatives were translated into measurable social outcomes. Campaigns were broadly directed to the general public rather than specifically tailored to vulnerable populations which could result in a widening gap between those who needed support and those who were providing it.

Consequence: The inability to comprehensively register all persons living in absolute poverty resulted in a coverage gap where significant numbers of vulnerable individuals were deprived of social assistance. Poverty alleviation policies could lose their impact, as resources might not reach those in need of support.

Root Cause: The Ministry did not have a programme with defined goals and targets for carrying out outreach exercises. The system largely depended on households coming forward to register instead of the Ministry proactively identifying households in need. The Ministry did not conduct impact evaluation of awareness campaigns.

Ministry's Response

There is no explicit requirement in the Social Integration and Empowerment Act for the Ministry or its agency to carry out outreach activities. The Ministry, in August 2021 and July 2023, through the media, invited needy families to register under the SRM. Likewise, several sensitisation programmes and awareness campaigns were carried out by NEF across 2020-2025.

Television and Radio platforms were extensively used to broadcast messages. Live sessions and targeted broadcasts were supplemented by physical presence in community hubs, social

welfare centres and government schools. Focus talks are organised as and when required through Community Working Groups and partnership with Non-Governmental Organisations.

NAO's Comments

The Social Integration and Empowerment Act explicitly stipulates that there shall be a register known as the Social Register of Mauritius in which shall be registered the names and other relevant particulars of every person who lives in absolute poverty. Effective outreach activities are essential to fulfilling the requirements of the Act regarding the identification and registration of persons living in absolute poverty.

3.1.2 Inadequate Maintenance of the Social Register of Mauritius

The Social Integration and Empowerment Act requires that the SRM be maintained by the Ministry. However, there were no written instructions on what was meant by 'maintained' and how it should be carried out.

Information in social registers could become outdated, making it difficult to ensure that benefits reach the intended recipients. Maintaining accurate and up-to-date social registers was critical to ensuring that benefits reach the right recipients. Because socio-economic conditions changed rapidly, the SRM required regular reviews and timely updates. Also, routine maintenance tasks, such as updating database software, applying patches and cleaning up obsolete data further strengthens system stability and performance.

Beneficiaries were required to report changes in their social or financial circumstances, and all updates must be verified to preserve data integrity. However, beneficiaries did not always report changes in their social or financial circumstances to the SRM Unit. NAO noted that 1,284 beneficiaries exceeding the income eligibility threshold after formal employment in October 2024 were reported to benefit from a monthly subsistence allowance of some Rs 7.5 million.

In June 2025, the SRM unit informed NAO that it was responsible for fixing any bugs reported by users, optimizing the performance of the software and updating programs through the service provider, State Informatics Ltd (SIL). Concerning data integrity and consistency, validations and checks were integrated into the different functions. Reports were run at local offices for consistency checks and all application updates were also carried out there.

However, the Ministry did not have a structured maintenance plan, which might lead to challenges such as outdated or inaccurate data, duplication, increased errors and inconsistencies, which could restrict the efficiency of tasks.

Conducting regular reviews and maintenance was necessary to keep the database in reliable condition. The Ministry was using an outdated Oracle-based system to enter data at registration and determine eligibility, leaving the SRM vulnerable to operational instability. Box 1 refers.

Consequence: Social Register with outdated or inaccurate data might lead to errors in the determination of eligibility and subsequently allocation of social benefits, while poor maintenance increased the risks of technical breakdowns and instability.

Root Cause: Written policy and procedures for maintenance of the SRM were not established to enable effective data maintenance.

Ministry's Response

Systematic data-quality enhancement measures have been undertaken, including the removal of inactive, untraceable or non-responsive households from the SRM database, as well as automated closure of cases upon verification of death of any household member. This process has contributed to a downward adjustment in the overall count of eligible beneficiaries.

Box 1: Delays in the Revamping of the Social Register of Mauritius

In October 2022, Agence Française de Développement (AFD) submitted a report on an Integrated System for the Social Register of Mauritius (SRM). The report emphasised that the SRM, which uses an Oracle-based computer system to enter data at registration, determine eligibility and generate tables, was quite old and was nearing the end of its cycle. The Social Security and National Solidarity Division proposed that the SRM be revamped under the e-Social Security project. The experts studied various options and the conclusion reached was to create a new technical and functional system for the new SRM.

The e-Social Security project was an integrated information system which was being implemented by the Ministry of Social Integration, Social Security and National Solidarity to enhance its operations and service delivery. The scope of the e-Social Security project comprised a turnkey solution (hardware and software) which included delivery, installation, configuration and testing of an integrated system as well as deployment and training. In this context, a consultant was appointed in December 2022 to review and supervise the project.

A Sub-Committee was set up in March 2023 under the chair of the Social Security and National Solidarity Division to examine the report on the Integrated System for the SRM and look into the feasibility of implementation of the AFD recommendations. The Sub-Committee pointed out that the SRM module would be a major component in the e-Social Security project, and that several recommendations were being taken care of in the project.

The project encountered significant delays in implementation due to multiple reviews of the specifications. Cost estimates were revised to Rs 502 million in July 2024. The Ministry invited bids for data cleansing in October 2024, but tenders were relaunched in January 2025 as a result of non-submission of bids.

As of July 2025, the Ministry was still working on the elements to be catered in the e-Social Security System, and the Social Integration Division had requested that the System Analyst of the Division be included in the Technical Working Group set up in the context of the e-Social Security project.

Consequence: Continued reliance on an outdated SRM system undermined efficiency in registration of vulnerable persons and in the determination of eligibility for support.

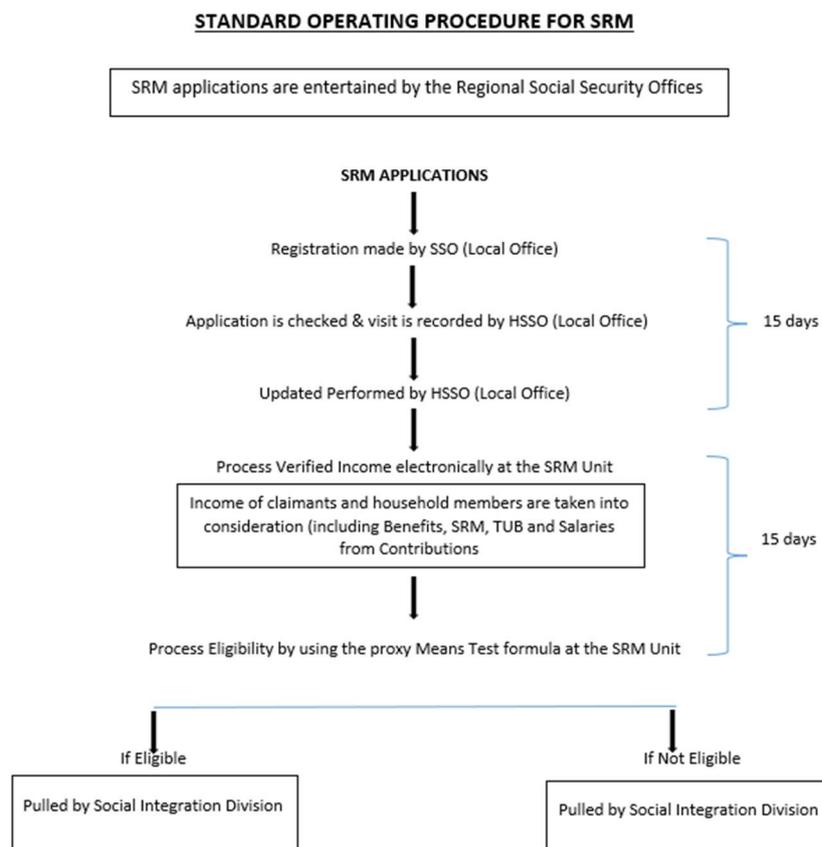
Root Causes: The e-Social Security project experienced delays which occurred due to inadequate initial planning and scoping, inefficient governance, and capacity gaps in procurement and project oversight.

3.1.3 Absence of Comprehensive Standard Operating Procedures

As per Section 1.4.1 (i) of the Financial Management Kit Volume 1 – Duties and Responsibilities in Management of Public Finance⁶, Accounting Officers have the responsibility of ensuring the preparation of a Standard Operating Procedures Manual on operational procedures for their respective Ministry/Department.

However, there were no comprehensive Standard Operating Procedures (SOPs) to guide officers in Regional Social Security Offices on how to perform specific tasks related to the SRM with respect to the identification of persons living in absolute poverty, registration and maintenance of the Register.

Although a flowchart representing payment of SRM allowances was available (Figure 2 refers) and instructions for conducting interviews of beneficiaries and filling the SRM Questionnaire/Application Form were formulated in 2023, the documents did not properly represent SOPs.



Source: Social Security and National Solidary Division

Figure 2: Flowchart of Procedures for Payment to SRM Beneficiaries

⁶ The Financial Management Manual Kit Volume 1 – Duties and Responsibilities in Management of Public Finance was issued in January 2011 and subsequently amended in April 2013 by the Ministry of Finance and Economic Development.

While these documents were equally important for guiding tasks, they differed in both scope and detail.

SOPs provide a high-level overview of processes, outlining the overall framework and compliance requirements. Flowcharts and Instruction guidelines offer guidance on how to perform specific tasks within these processes.

Consequence: In the absence of SOPs the process of identifying and registering eligible individuals could be subjective and inconsistent and might lead to the exclusion of those who truly need assistance. Moreover, consistency and efficiency of policies and procedures governing the operations of the SRM might not be consistently ensured.

Root Cause: There were insufficient management commitment and oversight in creating SOPs for the identification of persons living in absolute poverty, registration and determination of eligibility.

Conclusion

The Ministry has not complied, in all material respects, with Section 4 of the Social Integration and Empowerment Act.

Recommendations

To better address the issue of low registration of vulnerable population in the SRM, the Ministry and NEF should:

- Strengthen community engagement through Non-Government Organisations and community leaders.
- Formulate and implement a structured and proactive outreach programme or plan to identify and register vulnerable households not listed in the SRM, hence ensuring all eligible persons living in absolute poverty are duly registered.
- Conduct periodic impact evaluation of awareness campaigns.

Following the creation of the new technical and functional system for the updated SRM in the e-Social Security system, the Ministry should:

- Develop an SOP to improve the consistency and efficiency of operations; and
- Perform maintenance of the SRM through the establishment of maintenance procedures and the formulation of a data maintenance plan.

Part B: Eligibility of Beneficiaries

3.2 Persons Eligible to Receive Support

Criteria: Section 6 of the Social Integration and Empowerment Act concerns persons eligible for support and requires that every person shall be eligible to receive support under an empowerment programme or scheme where:

- (a) he lives in absolute poverty;
- (b) his name is included in the Social Register of Mauritius; and
- (c) he meets such other eligibility criteria as may be prescribed.

In assessing the monthly income or combined monthly income of an adult or, as the case may be, the two or three adults living under the same roof referred to in the first column of the Schedule, any income, social aid, pension, his or their living conditions, and such other financial aid derived by any of them shall be taken into consideration.

Where the assessed monthly income of a household is less than the corresponding amount specified in the second column of the Schedule, the applicant shall be entitled to an amount of financial support which will top up the monthly income so as to reach the amount specified in the second column, or to such other amount as may be prescribed.

Situation Found: According to the Social Integration and Empowerment Act, applicants are eligible to receive support under an empowerment programme or scheme when they satisfy certain conditions. However, the Ministry faced several challenges in determining eligibility for support, as elaborated in subsequent paragraphs.

3.2.1 Absolute Poverty Line Not Used

Section 6(1)(a) of the Social Integration and Empowerment Act states that every person shall be eligible to receive support under an empowerment programme or scheme where he lives in absolute poverty. Several empowerment programmes or schemes were put in place for persons eligible to receive support.

However, according to the Poverty Analysis Report 2023 issued by Statistics Mauritius in February 2025, the institution used the Relative Poverty Line (RPL)⁷ and the country did not

⁷ Relative Poverty Line is defined in relation to the distribution of income / expenditure of a country at a given point in time. It is usually set at a certain percentage of the median income. It changes with the median from year to year. Such a line helps to measure dynamic improvements of the poor over time. But it cannot be used to monitor poverty level over time.

have an absolute poverty line⁸. In its absence and given its limitation in tracking poverty level over time, a ‘fixed’ threshold was derived from the RPL of any Household Budget Survey (HBS) year and adjusted with price changes over time.

As per the Poverty Analysis Report, the number of households in relative poverty was based on data collected at the 2023 HBS. Hence, the number of households in relative poverty, that is falling below the RPL, for the Republic of Mauritius, was 29,800, comprising 101,900 persons. Table 3 refers.

Table 3: Summary Indicators of Relative Poverty, 1996/97 – 2023

	1996/97	2001/02	2006/07	2012	2017	2023
Relative poverty line ⁵ (Rs)	2,004	2,804	3,821	5,652	7,509	12,378
Households in relative poverty						
<i>Number</i> ⁶	23,800	23,700	26,100	33,600	36,400	29,800
<i>Proportion (%)</i>	8.7	7.7	7.9	9.4	9.6	7.3
Persons in relative poverty						
<i>Number</i> ⁶	92,700	92,600	103,400	119,900	127,800	101,900
<i>Proportion (%)</i>	8.2	7.8	8.5	9.8	10.4	8.4

Source: Poverty Analysis Report 2023

Compared with the 2017 HBS, the proportion of households in relative poverty decreased from 9.6 per cent in 2017 to 7.3 per cent in 2023. Similarly, the proportion of persons fell from 10.4 per cent to 8.4 per cent over the same period.

In 2023, poverty was more prevalent among children aged below 16 years (15.7%) than among the elderly aged 60 and above (3.1%). The number of children in relative poverty was estimated at around 33,000 compared to 8,000 among the elderly.

There were no official statistics on persons living in absolute poverty. While both the relative and absolute poverty lines had their uses, relying solely on a relative poverty line could obscure the true extent of poverty and hinder effective poverty reduction efforts.

Consequence: The RPL might not accurately capture the number of people struggling to meet basic needs, leading to exclusion from empowerment and educational support benefits.

Root Cause: Government institutions did not carry out absolute poverty measurement. Statistics Mauritius used the RPL set at half of the median monthly household income per adult equivalent.

⁸ Absolute Poverty Line is fixed at a point in time and adjusted with price changes to monitor poverty level over time. It can be applied to any income/ expenditure distribution.

Ministry's Response

The concept of relative poverty used by Statistics Mauritius is not comparable with the absolute poverty measure defined by Government. In fact:

- Absolute poverty is determined using a fixed national poverty threshold, which reflects the minimum income required to meet basic needs and the official absolute poverty threshold for one adult is currently Rs 3,575; and
- Relative poverty, on the other hand, is calculated based on a household's income compared with the median income of the population. It is therefore a moving, context-dependent measure and does not represent a fixed minimum-income requirement.

Since the two indicators are based on different definitions, methodologies, and purposes, the figures derived from absolute poverty and relative poverty cannot be compared and hence do not indicate any gap between the two datasets.

With a view to ensuring that no household in genuine need is left behind, the Ministry is looking into the possibility of moving towards a more holistic approach, including the integration of a Multidimensional Poverty Index in collaboration with Statistics Mauritius.

NAO's Comments

Since the Social Integration and Empowerment Act requires that empowerment programme or scheme be provided to persons living in absolute poverty, it is essential to have an absolute poverty line or measurement to give concrete meaning to the Act's goals of combating absolute poverty. By defining who is living in absolute poverty, the Government can design targeted support as mandated by the Act.

3.2.2 Insufficient Assessment of Monthly Income of Beneficiaries

To determine the eligibility of an applicant, his monthly income or the combined monthly income of household members needs to be assessed, including any financial aid received by them. The eligibility of applicants for SRM is based on an Income Support Threshold and a Proxy Means Test (PMT).

The details of the contribution returns (Contribution Sociale Généralisée – CSG, National Savings Fund and Training Levy) were shared by the Mauritius Revenue Authority (MRA) with the Social Security Division through the Docking System, which was put in place between the two organisations when collection of social contributions was transferred to MRA in January 2018.

In April 2022, in view of better processing the eligibility of SRM application, the Ministry requested the sharing of data with MRA through the Info Highway Platform, a secured

infrastructure that provided for the sharing of data amongst multiple Government Agencies. However, the request was not accepted by the MRA.

In October 2024, the Ministry again requested information from MRA through the Info Highway Platform. Data to be shared concerns beneficiaries of negative income tax, special allowances, CSG Child's allowance, CSG school allowance and CSG income allowance.

Payment of such allowances had a direct impact on household eligibility, as they had to be included in the verified income of a household. However, in November 2024, MRA informed the Ministry that the Authority could not accept the Ministry's request for information sharing as it was bound by the confidentiality provisions of Section 13 of The Mauritius Revenue Authority Act 2004.

Section 13 of the MRA Act established a strong confidentiality framework for officers and employees of the Authority. It prohibited unauthorized disclosure of any information acquired in the course of duty, except under specific legal or ministerial authorization.

The Section also provided some exceptions where the exchange of information was permissible namely:

- Disclosure authorized by the Minister of Finance.
- Disclosure required by law.
- Disclosure for the purpose of administering or enforcing Revenue Laws.
- Disclosure to specified entities, including the Economic Development Board, Ministry of Finance, Director of Statistics Mauritius and Maurice Stratégie Board.

Ministry's Response

The integration of the SRM with other Government registers and systems is not fully under the control of the Ministry. As such, other key institutions would need to have their own IT systems in place or assess the compatibility of their existing systems to facilitate data sharing.

The decision to provide or withhold data, including through platforms like Info Highway, remains a matter to be dealt by the respective Government institutions and is subject to their statutory obligations and internal policies. The Social Security and National Solidarity Division will, in the future, use information through the upcoming e-Social Security Project and Info Highway.

In line with the policy of Government, Basic Invalidity Pension and Contribution Sociale Generalisée are not to be regarded as additional income when assessing eligibility of households.

3.2.3 Insufficient Verification of Living Conditions

Social Security Officers carried out site visits of dwellings to ascertain the living conditions of applicants when determining the eligibility of a household for registration in the SRM.

Ownership of a vehicle was a variable in the Proxy Means Test formula used for the determination of the assessed income of a household in the SRM. Verification with the National Land Transport Authority (NLTA) was therefore mandatory.

In October 2024, the Ministry requested the sharing of data pertaining to the registration of vehicles with NLTA for better processing of the eligibility of SRM beneficiaries. In January 2025, it was mutually agreed that data would be exchanged electronically through the Info Highway platform between the Ministry and NLTA following which the latter entered into an agreement with the Ministry.

The duly filled and signed application form in this connection was forwarded to the Ministry of Information Technology, Communication and Innovation for review and further processing.

However, as of July 2025, the Ministry could not verify vehicle ownership details with the NLTA database as the request was still being processed by the Ministry of Information Technology, Communication and Innovation for viewing of relevant data. Hence, all monthly income or combined monthly income of a household, as well as such other financial aids received by any member of the household, were not being fully considered in determining the eligibility of applicants.

The Ministry did not adopt a holistic approach for the sharing of data to determine eligibility. The evaluation failed to account for all household income and financial aids received by its members, thus giving an incomplete picture of the household's financial situation.

Consequence: There was a risk that inaccurate financial support was being paid to those registered in the SRM. This could potentially lead to granting assistance to those who were not genuinely entitled to it and resulted in misallocation of funds.

Root Cause: Administrative burden and complexities in obtaining required information from all stakeholders makes it difficult to assess the income of all household members.

Ministry's Response

The Info Highway platform made available a web service on 23 June 2025 to facilitate the exchange of data on vehicle registration from the NLTA. The Ministry took action as from date data is received from NLTA to assess eligibility of households. The service was successfully tested and confirmed to meet the required specifications.

Following this, the SRM Unit submitted a formal work request to SIL for integration of this web service into the SRM system to enable automated retrieval of vehicle ownership information for eligibility assessment. Pending the system amendments to be implemented by SIL, SRM Unit Officers are required to manually consult the web service to verify vehicle ownership.

3.2.4 Outdated Proxy Means Test

Section 6(1)(c) of the Social Integration and Empowerment Act states that every person shall be eligible to receive support under an empowerment programme or scheme where he meets such other eligibility criteria as may be prescribed.

Eligibility for receiving support is based on two criteria, that is:

- (i) income (verified household income cross-checked with official records), and
- (ii) a Proxy Means Test.

The Proxy Means Test (PMT) is a statistical model that aims to assess the living standard of each household applying for registration under the SRM. The formula is based on a number of observable household and socio-economic characteristics, such as demographic and socio-economic profiles like age, gender, number of children, as well as whether the applicant is the owner of his or her dwelling and the housing conditions thereof. It is an estimate based on the living conditions, income and consumption patterns of households registered in the SRM.

PMT is derived econometrically (using regression analysis) from Household Budget Survey (HBS) data obtained from Statistics Mauritius. The first PMT for Mauritius was based on HBS 2006/07 and was adopted in 2010 with the assistance of an international consultant from the United Nations Development Programme. It was subsequently reviewed to PMT2 using the 2012 HBS data to reflect the changes which might have occurred in the consumption patterns and living standards of households.

The eligibility of households under the SRM was presently being assessed using PMT2. However, during Budget Speech 2023-2024, it was announced that Maurice Stratégie⁹ would, in collaboration with the Ministry of Social Integration, Social Security and National Solidarity

⁹ Maurice Stratégie was established as a statutory body under the Maurice Stratégie Board Act 2024 and operated under the aegis of the Ministry of Financial Services and Economic Planning, with the aim of institutionalising a centralised body to guide policy and strategy formulation through research, analysis, and national consultation.

Maurice Stratégie stopped functioning as from 8 August 2025 when the Maurice Stratégie Board Act 2024 was repealed through The Finance Act 2025. The assets and records of the Board was vested in the Economic Development Board.

and Statistics Mauritius, estimate a new relative poverty line for Mauritius for measuring poverty and establish the criteria for assessing vulnerable households.

In addition, the PMT used to determine eligibility for support under the SRM would be reviewed to take into account changes in the socio-economic profile of persons living in absolute poverty over time.

This issue was again taken up in February 2025, during debates in the National Assembly, as the existing criteria in use for the PMT dated back to 2016, that is, since the implementation of the Marshall Plan in December 2016. In view of changing socio-economic conditions, the PMT criteria, which still used data from HBS 2012, needed to be reviewed to take on board new criteria to be worked out. In addition, after nine years, observations were made of elements of subjectivity when applying some of the criteria of the PMT.

The Minister of Social Integration, Social Security and National Solidarity stated that actions were initiated in June 2023 to review the PMT. The services of a local and an international consultant for the review thereof, with financial support from Agence Française de Développement and Expertise France were solicited.

However, the review of the PMT was largely dependent on the findings of the latest Household Budget Survey 2023, which was expected to be finalised by February 2025, according to Statistics Mauritius. Furthermore, the Board of NEF was being reconstituted¹⁰.

In March 2025, Maurice Stratégie informed the Ministry that the HBS 2023 and its microdata were available and it was proceeding with the project. The next step was a mission by the consultants where they would conduct the review and provide training to relevant officers accordingly.

To better understand about the calculation of the poverty threshold and any potential impact on PMT, the Ministry decided to hold a meeting with Statistics Mauritius first and Maurice Stratégie was advised to put on hold the mission which was scheduled for April 2025.

Maurice Stratégie pointed out that Agence Française de Développement/Expertise France exceptionally agreed to extend the mission until April 2025 as it was contingent upon the availability of the HBS 2023 data, after which the contract would conclude. With the funding for this mission concluding at this point, further extensions would not be feasible and thus the mission could not be postponed.

However, the Ministry maintained its decision to reschedule the follow-up mission to a later date.

¹⁰ The Board of NEF was reconstituted in June 2025.

In the context of the Budget Speech 2025-2026, it was again mentioned that the PMT would be updated given that the previous review was carried out in 2013. The Ministry agreed, in August 2025, that a working document be prepared jointly by the Social Integration and Social Security Divisions to be used for the preparation of a Request for Proposal for the services of a consultant since officers of the Ministry did not have the expertise to review the PMT.

As of September 2025, the review of the PMT was still pending. The PMT used by the Ministry to determine eligibility of applicants was still based on the outdated HBS 2012 of Statistics Mauritius and did not reflect the current income and prevailing socio-economic conditions of households following various government measures which were introduced since then.

Timely action was essential to uphold the integrity and credibility of social support schemes and to ensure that the most vulnerable were accurately identified and effectively supported.

Consequence: The continued use of an outdated PMT undermined the accuracy, fairness, and effectiveness of social integration and empowerment programmes/schemes. In the absence of a PMT based on up-to-date data, there was a high risk that:

- Support was being provided to persons who were not eligible thus diverting resources from those who need them most.
- Eligible individuals or households might be excluded from receiving support which could worsen inequality and deepen poverty.

With the mission postponed and the contract ending, the Ministry lost timely technical assistance and training opportunities.

Root Causes: The Ministry did not have the required competence or knowledge to review the PMT as it was highly technical and complex warranting financial, econometric and statistical analysis.

There was also misalignment between timelines and funding as the Ministry postponed the mission of the consultant despite being aware that the contract would expire and funding would not be extended as well as weak coordination and decision-making from the Ministry to finalise the PMT review.

Ministry's Response

A broader multi-stakeholder consultative symposium was convened on 16 October 2025 with the objective of fostering a more inclusive and holistic approach to finalising the revised PMT framework.

With a view to ensuring that no household in genuine need is left behind, the Ministry is looking into the possibility of moving towards a more holistic approach, including the integration of a Multidimensional Poverty Index.

Conclusion

The Ministry has not complied, in all material respects, with Section 6 of the Social Integration and Empowerment Act.

Recommendations

To comply with the requirements of the Social Integration and Empowerment Act, the Ministry, in close collaboration with Statistics Mauritius, should ensure that absolute poverty is used for the determination of eligibility of persons who need support or necessary amendments be made to the Act for the use of Relative Poverty Line.

The Ministry should adopt a whole-of-government approach to data exchange and strengthen inter-agency data-sharing frameworks by:

- Seeking formal ministerial approval for data exchange under Section 13 of the MRA Act, with a Memorandum of Understanding detailing safeguards, scope, and public interest justification.
- Soliciting the advice of the Attorney General's Office for an amendment to Section 13 of the MRA Act, to allow the Ministry access to information for SRM processing.

To accelerate the income verification process and avoid further delays, the Ministry should actively follow up on the NLTA data access request and establish a clear timeline that will ensure timely and accurate eligibility assessments for support.

The Ministry should take up immediate measures to expedite the review and update of the PMT by establishing a dedicated task force comprising relevant stakeholders to lead the process with clearly defined timelines and accountability mechanisms.

3.2.5 Delay in Determining Appeals

Criteria: Section 7 of the Social Integration and Empowerment Act concerns Application for Support and stipulates that:

- (1) A person may apply for support to the Minister in such form and manner as he may approve.
- (2) On receipt of an application made under subsection (1), the Minister may –

- (a) request such additional information or conduct such investigation as may be necessary to verify whether the applicant is eligible to receive that support; and
 - (b) where necessary, liaise with such other Ministry or body as he may determine.
- (3) The supervising officer shall, as soon as possible, inform the applicant, in writing, whether or not he is eligible for support.
- (4) (a) Where an applicant is informed, pursuant to subsection (3), that he is not eligible for support, he may make an appeal to the Minister.
- (b) An appeal under paragraph (a) shall be made within 21 days of the date on which the applicant is informed of the decision of the supervising officer.
- (c) The Minister shall, for the purpose of an appeal under paragraph (a), set up an ad hoc committee which shall consist of –
- (i) a representative of the Ministry;
 - (ii) a representative of the Ministry responsible for the subject of finance; and
 - (iii) a representative of the Ministry responsible for the subject of social security.
- (d) The ad hoc committee shall, within 21 days of the appeal, endeavour to determine the appeal.

Situation Found: In line with Section 7(3) of the Act, the Supervision Officer informed applicants whether or not they were eligible for support. Notices were issued by the Empowerment Scheme Section of the Social Integration Division to the applicants informing them of their eligibility status under the SRM following their registration as follows:

- To eligible households: claimants were informed that they were now registered in the SRM and in order to receive support under the various empowerment schemes, they would be required to sign a social contract at NEF.
- To non-eligible households: applicants were informed that, after processing of their application for registration under the SRM, they had not been found eligible as per the income eligibility threshold. They were provided with the SRM Appeal Form to make an appeal, if they wished, within 21 days of the date of the Notice issued.

Pursuant to Section 7(4) of the Act, an Ad Hoc Committee was set up in 2017 to look into cases of appeal made by applicants who had been notified by the Social Integration Division of their non-eligibility under the SRM. The applicants were considered not eligible when either their verified declared income or the assessed income exceeded the poverty threshold.

Upon issue of Notices, cases of appeal received within 21 days were compiled and the Social Integration Division was requested to provide a report on the income of each case for consideration of appeal at the Ad Hoc Committee.

Following the recommendations of the Committee, the appellant was informed of the outcome of the appeal made. Meetings held from January 2024 to August 2025 were reviewed and the following were noted:

- During the year 2024, the Ad Hoc Committee held nine meetings, examining between 3 to 34 appeals. The first meeting took place on 2 February 2024 as earlier sessions could not be convened due to insufficient quorum.
- Between January 2025 and August 2025, only one meeting was held on 4 February 2025, during which nine appeals were examined. Meetings could not be held as regularly as needed due to lack of quorum following changes in the posting of the representative from the Ministry responsible for the subject of social integration and economic empowerment, and the retirement of the representative of the Ministry responsible for the subject of social security.
- A total of 127 appeals were examined and no appeal was entertained. The Appeals were set aside because the total verified declared income and/or the assessed income exceeded the income eligibility threshold.
- Of the 127 appeals examined, 44 were determined after the statutory deadline of 21 days.

Between March 2025 and August 2025, some 40 cases of appeal were received and needed to be considered. As of August 2025, the Ad Hoc Committee was not yet reconstituted and appeals to be determined were still pending.

The Ministry was facing difficulties in fully adhering to Section 7(4) of the Social Integration and Empowerment Act. In several cases, the Ad Hoc Committee could not determine the appeal within 21 days as stipulated in the Social Integration and Empowerment Act.

Consequence: Applicants might experience delayed access to social support.

Root Cause: The Ministry did not have a formal mechanism to ensure the timely replacement of representatives, pointing to inadequate communication regarding staff transfers and retirements to ensure continuity.

Conclusion: The Ministry did not comply, in all material respects, with Section 7(4) of the Social Integration and Empowerment Act.

Recommendation: To improve the timely determination of appeals for eligibility of support under the SRM, the Ministry should nominate alternate members to represent ministries in meetings when primary representatives are not available.

Ministry's Response

On 27 August 2025, approval was obtained for designation of Chairperson and member to form part of the Ad Hoc Committee. On 24 September 2025, the Committee examined all pending cases of appeals.

3.3 Programmes and Schemes under the Social Integration Division

Criteria: According to Section 3 of the Social Integration and Empowerment Act, the Minister shall set up such empowerment programmes or schemes as may be necessary. A programme or scheme shall make provision for:

- (a) combating absolute poverty;
- (b) providing support to persons living in absolute poverty; and
- (c) encouraging persons living in absolute poverty to integrate the mainstream society.

Situation Found: The Social Integration Division of the Ministry was responsible for implementing Government policy measures for poverty alleviation and empowerment of vulnerable families. Following the formulation of the Marshall Plan Against Poverty and the enactment of the Social Integration and Empowerment Act, a wide range of schemes was put in place to provide support to vulnerable households found eligible under the SRM.

Several regulations were made under the Act since 2019 for each empowerment support scheme developed by the Ministry. The main schemes formulated are:

- Subsistence Allowance Scheme
- Child Allowance Scheme
- Crèche Scheme
- Free Examination Fees Scheme
- School Materials Scheme
- School Premium Scheme

A comprehensive list of schemes and details thereof is provided in Appendix I.

During the period 2016-17 to 2024-25, the Social Integration Division spent around Rs 3.4 billion, that is, some Rs 2.4 billion in empowerment support and around Rs 1 billion as educational support to eligible SRM beneficiaries.

In addition to this expenditure, transfers to households under the Decentralised Cooperation Programme¹¹ for Socio Economic Empowerment, totalling some Rs 110 million were made for the period July 2016 to June 2021.

¹¹ The Decentralised Cooperation Programme in Mauritius aimed at strengthening the capacities of Non-Government Organisations and Civil Society Organisations to reduce poverty and enhance community development. to access resources and use them effectively towards poverty reduction.

During the same period, grants amounting to some Rs 104 million, were provided to NEF for the implementation of various programmes and schemes (this figure excludes operational costs and capital grants of NEF). Capital grants disbursed to NEF for the implementation of the Social Housing for Vulnerable Groups Scheme amounted to some Rs 578 million.

The grants aimed to support family, health and economic empowerment of vulnerable beneficiaries registered in the SRM and to facilitate their integration into mainstream society through financial assistance and skills development, among others.

Appendix II presents the total detailed expenditure amounting to Rs 4.2 billion in respect of poverty alleviation and empowerment schemes/programmes for the financial years 2016-17 to 2024-25.

The Ministry had to deal with significant issues in the provision of social integration and empowerment programmes and schemes, and these are detailed in the following paragraphs.

3.3.1 Challenges Encountered in Social Integration and Empowerment

The Minister, to whom responsibility for the subjects of social integration and economic empowerment is assigned, has set up various empowerment programmes or schemes under the Social Integration and Empowerment Act and Regulations made under the Act to provide support to persons living in absolute poverty and registered in the SRM.

However, the Ministry did not exercise adequate oversight over the implementation of programmes and schemes carried out by NEF. Prior to February 2025, the Ministry did not carry out any evaluation or review of the programmes/schemes in place to ensure the schemes remained relevant and to determine whether they were still meeting their intended goals and achieving the intended outcomes.

It was only in February and March 2025 that the Social Integration Division presented progress reports on Education Empowerment and Family, Health and Economic Empowerment, respectively, for the financial year 2023-24 based on information submitted by NEF. The challenges encountered are detailed as follows:

(i) Educational Support Programmes and Schemes – One of the four pillars of the Marshall Plan Social Contract was Education. The following was observed:

- *Crèche Voucher Scheme*: One notable limitation faced by NEF was the scarce availability of registered crèches.
- *School Material Scheme*: Among those whose results were available, the pass rate was 75 per cent in Mauritius.

- *Child Allowance Scheme*: There were delays in attendance data updates, thus hindering timely intervention at the level of NEF.
- *School Premium Scheme*: The scheme demonstrated positive outcomes, but the analysis did not include impact assessments, which limited understanding of the long-term benefits.
- *Free Exam Fees Scheme*: No major operational challenges were noted. However, at School Certificate level, the pass rate was only 53 per cent, while at Higher School Certificate level 100 per cent of students passed.
- *Waiving of Administration Fees*: 36 students in Mauritius availed of this scheme to pursue further education at universities, polytechnics and MITD-based institutions. Outreach activities were needed to increase awareness of pursuing tertiary and technical education without financial barriers.

(ii) Family Empowerment – This scheme aimed to enhance family welfare through recreational activities for children, the Life Enhancement Education Programme and the Unveiling Talent Programme. While the initiative reached several beneficiaries, the impact of the scheme was limited due to:

- Low participation rates: A small percentage of eligible beneficiaries participated in the Life Enhancement Education Programme and Unveiling Talent Programme, indicating shortcomings in outreach and communication strategies.
- Limited collaboration with key partners: There was a lack of partnerships with relevant entities like the Ministry of Youth and Sports and the Mauritius Sports Council.
- Restricted scope of Talent Development Activities: The range of activities offered through the Unveiling Talent Programme was too narrow.

(iii) Health Empowerment – NEF provided healthcare support to vulnerable beneficiaries under various initiatives aimed at improving access to essential healthcare services. Challenges included:

- Provision of Spectacles: Low coverage in Mauritius with only 36.9 per cent of eligible beneficiaries receiving spectacles.
- Medical Screening: Duplication of activities and coordination difficulties likely led to lower participation in Mauritius.

(iv) Economic Empowerment – This Scheme, implemented by NEF, aimed to improve the livelihood, self-sufficiency and employability of beneficiaries and encompasses several key initiatives mentioned below.

- Job Registration at the Employment Information Centre: Low employment rates with only 14.9 per cent of registered beneficiaries in Mauritius securing employment.
- Job Referrals to Potential Employers: The success rate of job referrals was extremely low suggesting mismatched expectations between employers and beneficiaries.

- **Skills Development:** Training was not aligned with market demands, leading to poor job placements and outcomes.

Evaluation or reviews of social integration and empowerment initiatives were important to identify gaps, address new challenges, optimise resources and adapt to evolving contexts. The analyses of the various support programmes and schemes performed by the Social Integration Division were laudable initiatives. However, they were carried out on an ad hoc basis.

Moreover, the reports had significant policy, budgetary, strategic and administrative implications that the Ministry required deeper examination to address challenges identified and to improve outcomes of the programmes/schemes.

Consequence: Without proper evaluation of social integration and empowerment programmes and schemes, uncertainty remained about the impact of the initiatives and whether they were achieving their stated goals.

The limitations suggested that, while social integration and empowerment programme/schemes were well-intentioned, they were more focused on short-term relief rather than long-term empowerment.

Root Cause: The Ministry did not have a robust evaluation mechanism. There was inordinate delay in formulating the Monitoring and Evaluation Framework needed to assess the relevance, coherence, impact and sustainability of programmes/schemes.

Moreover, the challenges in implementation of programmes/schemes could be attributed to budget inefficiency, resulting in expenditures that failed to deliver the intended impact. This was due to inadequate planning, and insufficient oversight mechanisms, which caused a misalignment between the allocated resources and the actual programme outcomes.

Recommendations: The Ministry should implement a comprehensive monitoring and evaluation framework for all social integration and empowerment programmes and schemes to ensure such initiatives remain relevant and are aligned with their intended goals.

Evaluation and reviews should shift from ad hoc exercises to a structured, institutionalised process that supports programmes' evolution, adaptability, and the genuine empowerment of households to graduate from poverty.

Evaluation findings should also be integrated into policy, budgetary and strategic planning processes to be more responsive to the actual needs of beneficiaries.

Ministry's Response

The newly appointed Board of the NEF has initiated appropriate action for an assessment of the existing schemes in place with a view to improving same for households to become more resilient.

To operationalise a more rigorous and consistent monitoring and evaluation system, the Ministry has established a Monitoring and Evaluation Framework comprising 171 indicators. This framework has been officially endorsed by the NEF Board on 20 November 2025 and represents a significant milestone in ensuring that performance assessment is structured, standardised, scientifically grounded and regularly measurable.

3.3.2 Insufficient Integration of Households into Mainstream Society

One of the main aims of empowerment programmes and schemes set up by the Ministry was to encourage persons living in absolute poverty to integrate into mainstream society.

3.3.2.1 Low Number of Households exiting the Marshall Plan Social Contract

During the financial years 2016-17 to 2024-25, some 2,300 households in Mauritius exited from the Marshall Plan Social Contract (MPSC) either voluntarily or through empowerment programmes. This figure included 541 households that graduated from poverty through the provision of support, guidance and handholding¹² and 58 through self-employment. Table 4 refers.

Table 4: Households exiting the MPSC during July 2016 to June 2025

	Mauritius	Rodrigues	Grand Total
Got employment	951	289	1,240
Improvement in Standard of Living	750	251	1,001
Self-Employment	58	8	66
Through Hand holding	541	5	546
Total	2,300	553	2,853

Source: File Reviews, Social Integration Division

¹² Handholding refers to the practice of providing comprehensive and personalised support to vulnerable individuals or families to equip them with the skills, resources and confidence needed to achieve social integration and economic independence thus enabling them to navigate challenges on their own rather than creating a relationship of dependency.

Over the financial period 2016-2025, some Rs 3.4 billion was paid as empowerment and educational support to beneficiaries in Mauritius and Rodrigues, while only 2,853 households exited the SRM. Hence, the cost per household that exited the MPSC amounted to some Rs 1.2 million, highlighting the need for better targeting of vulnerable persons and stronger empowerment support programmes.

The cost of Rs 1.2 million per household to move people out of poverty using the Empowerment and Educational Support schemes, combined with the low success rate of participants leaving poverty, indicated a gap between programme inputs (funding and coverage) and intended outcome (graduation from poverty).

Consequences: Many beneficiaries continued to rely on government support rather than achieving self-reliance. The low number of successful graduations suggested that existing programmes were not effectively lifting beneficiaries out of poverty.

Root Cause: Insufficient oversight and evaluation by the Ministry prevented timely adjustments to improve programme effectiveness, with many initiatives addressing immediate needs rather than building long-term economic self-sufficiency.

Ministry's Response

A survey was conducted from August to September 2025 to assess the long-term trajectories of 69 households from the 2016 cohort and 75 households from the 2017-2020 cohorts who are still under social contract.

Findings from the 2016 cohort indicate that although the social contract has promoted social integration and basic stability, many households still face barriers to sustainable livelihoods, including high dependence on social benefits (89.9%), unstable employment, health challenges (50.7% with chronic conditions) and housing insecurity (30.4% informal dwellings), thereby impacting on the graduation rate from poverty.

Relapse is, unfortunately, a real possibility for vulnerable households who struggle to maintain progress amid pressures. Unstable employment is one of the key findings of the survey and is linked to the low graduation rate.

3.3.2.2 Integrating into Mainstream Society through Training and Placement

One of the actions proposed in the Marshall Plan Against Poverty was to enhance access to training and placement for the poor through increased coordination and collaboration between the public and private sectors and non-governmental organisations. All SRM-eligible households were required to enter into an agreement with the Ministry and NEF for empowerment through the Marshall Plan Social Contract.

As of December 2019, a total of 5,959 beneficiaries expressed interest in training with 3,686 beneficiaries in Mauritius and 2,273 beneficiaries in Rodrigues. By June 2020, 6,389 training needs were formally identified.

The training programme from December 2016 to December 2020 reached 2,162 beneficiaries. However, its conversion into tangible economic outcomes was limited, with only 106 beneficiaries starting a business (4.9%), and just 12 securing employment (0.6%), indicating a weak link between training and sustainable livelihood creation. Table 5 refers.

Table 5: Training Outcomes and Economic Integration (Dec 2016 – Dec 2020)

	Beneficiaries	Provided with Starter Kits	Already started a business	Obtained job following training	Obtained Business Registration Number
Mauritius	1,800	594	104	12	216
Rodrigues	362	43	2	-	-
Total	2,162	637	106	12	216
% of Total Beneficiaries		29.5	4.9	0.6	10.0

Source: File Reviews, Social Integration Division

The costs incurred in training the 2,162 beneficiaries from July 2016 to June 2020 were some Rs 26 million, and only 12 households graduated from poverty through training-led interventions.

Weaknesses in Training Schemes 2016-2020 – During December 2016 to December 2020, training implementation faced delays, mismatches in training needs and training courses dispensed, uneven beneficiary access to training with some beneficiaries enrolled in more than three courses, whilst some received none, and high dropout rates.

Key gaps included absence of evaluation of each training course, feedback analysis, and post-training follow-up mechanisms.

Ministry's Response

During the period 2016 to 2020, several institutional and operational mechanism required to ensure the effective delivery, monitoring and evaluation of training schemes were not yet in place. However, as from 2021, structured mechanisms began to be developed and implemented to strengthen monitoring, and accountability in training and empowerment initiatives.

3.3.2.3 Multi-Ministerial Training Initiative to enhance Employability of SRM Beneficiaries

In March 2021, NEF identified 1,722 beneficiaries who required training in various fields including agriculture, aquaponics and farming. During a Senior Management meeting held on 20 January 2022, the then Minister requested to explore avenues in which SRM beneficiaries could be provided training that would enhance their employability.

To widen access to greater employment opportunities for SRM beneficiaries, the Social Integration Division convened a meeting in February 2022 with key Ministries, namely:

- Ministry of Labour, Human Resource Development and Training (now known as the Ministry of Labour and Industrial Relations);
- Ministry of Agro-Industry and Food Security*;
- Ministry of Tourism,
- Ministry of Industrial Development, SME and Cooperatives (now known as the Ministry of Industry, SME and Cooperatives); and
- Ministry of Blue Economy, Marine Resources, Fisheries and Shipping*.

NEF was tasked with sensitising unemployed adults, conducting training needs assessments, and sharing district-wise beneficiary lists with sector-specific requirements.

Ministries and the Mauritius Institute of Training and Development (MITD) agreed to provide training calendars, employment opportunities, and placement proposals aligned with labour market demands, while addressing barriers to registration and reducing skills mismatch. Table 6 refers.

*Now known as the Ministry of Agro-Industry, Food Security, Blue Economy, and Fisheries.

Table 6: Ministry-Level Decisions on SRM Training and Employment

Ministry/Institution	Key Decisions & Actions
Ministry of Labour, Human Resource Development and Training	NEF to submit a list of women (aged 30+) interested in Child Care and Elderly Care courses. NEF to sensitise SRM adults on the need to register with the Employment Division. Quarterly reporting required.
Ministry of Industrial Development, SME and Cooperatives	SME Division to provide a regional list and training calendars for registration purposes. NEF to liaise with the SME Division regarding who would benefit from the programmes offered. Ornamental Fish Farming was identified as a potential interest area.
Ministry of Agro-Industry and Food Security	A Memorandum of Understanding (MoU) was signed in 2021 with a view to developing a framework of collaboration aiming at training SRM beneficiaries in various fields. Progress on MoU implementation to be reported.
Ministry of Blue Economy, Marine Resources, Fisheries and Shipping	Aquaculture identified as a potential sector for employability of SRM beneficiaries. Ministry to submit training and placement proposals.
Ministry of Tourism	To provide a list of employment opportunities in the tourism sector, training requirements, and proposals for training/placement/employment to NEF.
Mauritius Institute of Training and Development	To submit a list and calendar of training programmes so that NEF can accordingly arrange for SRM beneficiaries to be trained in relevant fields, and to submit proposals for training and placement as well as for employment of SRM beneficiaries.
National Empowerment Foundation	To transmit a list of unemployed beneficiaries by districts, along with their sector-specific training needs to all stakeholders.

Source: File Reviews, Social Integration Division

Observations with respect to training carried out from 2021 to 2024 are detailed in the following paragraphs.

3.3.2.4 Multi-Ministerial Collaboration Undermined by Implementation Shortfalls and Low Training Uptake

Although NEF identified 1,722 beneficiaries in need of training in 2021, only 349 individuals were trained in Mauritius over four years, indicating a significant gap between needs identified and actual delivery.

Across the three financial years 2021-22 to 2023-24, 55 beneficiaries started small businesses and 26 secured employment directly related to their training, suggesting limited alignment between training content and market demand. Only four individuals moved out of poverty across the three years, raising concerns about the long-term impact of the training interventions. Table 7 refers.

Table 7: Outcome of Training Provided as at June 2025

	Number of Beneficiaries				
	Trained	Started small entrepreneurship	Secured employment in field of training	Secured employment or self-employed in other fields	Moved out of poverty (graduated)
2021-22	49	12	3	9	1
2022-23	131	29	12	13	3
2023-24	89	14	11	10	0
2024-25	80	n/a	n/a	n/a	n/a

Source: File Reviews, Social Integration Division

(i) Mismatch Between Training Demand and Supply

The training programmes were not aligned with market demands, resulting in poor job placements and limited economic outcomes.

- The Ministry of Labour, Human Resource Development and Training proposed training for a first batch of 20 beneficiaries in Child Care and Elderly Care. Only five beneficiaries actually followed the Child Care Training course.
- Out of a list of 213 beneficiaries submitted to MITD, 133 were selected after screening. However, only 22 beneficiaries registered for training under the National Training and Reskilling Scheme, a programme which catered for the training and re-skilling of unemployed persons in various fields.
- The Ministry of Tourism reported labour shortages, yet no targeted training programmes were launched to address these gaps in the sector.

- In the year 2022-23, NEF targeted to train, under the special scheme/start up kits for Unemployed, 301 beneficiaries, but only 179 were trained. Similarly, in 2024-25, out of a target of 83 beneficiaries, 58 were trained.

This indicated a need for better alignment of training programmes with labour market needs.

Ministry's Response

Despite the challenges faced, NEF made significant progress in strengthening training and employability initiatives for SRM beneficiaries. These efforts contributed to meaningful outcomes, including the graduation of 96 beneficiaries from 2021 to 2024.

(ii) Implementation Gaps in Agricultural and Livestock Training

A Memorandum of Understanding (MoU) was signed in November 2021 for a period of five years between the Ministry (Social Integration Division), NEF and the Ministry of Agro-Industry and Food Security with a view to promote a culture of agri-business among vulnerable families eligible under the SRM including the development of a framework of cooperation towards training of beneficiaries in the field of agriculture, food processing, and livestock.

The MoU also provided for the Ministry of Agro-Industry and Food Security to liaise with the Food and Agricultural Research and Extension Institute to extend its technical assistance and provide necessary training to beneficiaries.

Following the signature of the MoU, 36 SRM beneficiaries were trained at the Food and Agricultural Research and Extension Institute in July and August 2022 in Introduction for Crop Production (17 beneficiaries) and Pickle Making (19 beneficiaries). However, during the financial years 2023-24 and 2024-25, no training was provided to eligible SRM beneficiaries.

The lack of training activities during the financial years 2023-24 and 2024-25 undermined the effectiveness of the MoU, indicating limited opportunities for vulnerable families to acquire agri-business skills. This situation might reduce the intended impact of promoting self-reliance and income-generating activities, leading to missed opportunities to empower households to move out of poverty. It also reflected a lack of robust monitoring and accountability mechanisms to ensure training commitments were met.

(iii) Eligibility Constraints

Ministry of Industrial Development, SME and Cooperatives – In March 2022, the SME Division informed stakeholders that training provided by its Ministry pertained to registered SMEs which had obtained their SME certificate. Consequently, none of the SRM beneficiaries

were eligible to access the training offered by the Ministry of Industrial Development, SME and Cooperatives.

Ministry of Blue Economy, Marine Resources, Fisheries and Shipping – Courses offered by the Mauritius Maritime Training Academy and the Fisheries Training and Extension Centre did not have any uptake due to lack of interest and eligibility barriers, suggesting that training programs were not aligned with the interests or eligibility criteria of the beneficiaries.

Training and Employment for Disabled Persons Board (TEDPB) – As of August 2021, NEF had a list of 73 beneficiaries who had disabilities. NEF liaised with TEDPB so that training could be provided.

In a TEDPB meeting held on 9 November 2021, the Board was informed that out of a total of 72 beneficiaries with disabilities, 27 beneficiaries had been assessed by the Assessment Committee; one beneficiary was attending the ‘Ornamental Production Course’ and 9 beneficiaries had been selected to follow the ‘Mushroom Growth Course’.

The attention of NEF was drawn to the fact that medical certificates were mandatory to enable the committee to assess the candidates. No training was dispensed for SRM beneficiaries with disabilities in the financial years 2022-23, 2023-24 and 2024-25.

Many beneficiaries were unable to avail themselves of the training due to eligibility barriers, indicating a need for more inclusive criteria.

Ministry’s Response

From Financial Year 2022 to 2025, NEF regularly submitted the list of eligible SRM beneficiaries with disabilities to the TEDPB.

(iv) Low Beneficiary Engagement

Registrations of Unemployed Beneficiaries at Employment Information Centre (EIC) – In the meeting of February 2022 held by the Social Integration Division with focal Ministries, NEF was tasked with the responsibility of sensitising SRM adults on the need to register with the Employment Division to benefit from job opportunities and understand the reasons for which they were unwilling to register themselves as well as to submit quarterly reports to the Ministry.

In May 2023, NEF reported that out of 409 unemployed beneficiaries, 153 were registered at the EIC and 26 were employed. However, quarterly reports on the status of registrations of unemployed beneficiaries at the EIC were not seen at the Social Integration Division. The

number of unemployed SRM beneficiaries and their registration with the EIC are shown in Table 8.

Table 8: Registration of Unemployed SRM Beneficiaries with EIC

Financial Year	Unemployed SRM Beneficiaries	Unemployed SRM Beneficiaries registered with EIC	EIC Registration Coverage
2022-23	388	212	55%
2023-24	360	114	32%
2024-25	1,485	260	18%

Source: National Empowerment Foundation

Table 8 shows a declining trend in the proportion of unemployed SRM beneficiaries registering with the EIC, dropping from 55 per cent in financial year 2022–23 to just 18 per cent in 2024–25, despite a sharp rise in overall unemployment figures, suggesting low engagement of beneficiaries.

Ministry’s Response

NEF has actively sensitised SRM beneficiaries on the need to register with the EICs across the island for job opportunities. However, most beneficiaries do not enrol themselves due to lack of interest. NEF is looking into ways and means for improved alignment of training to employment opportunities.

(v) Referral of Unemployed Beneficiaries to Potential Employers

In the financial year 2023–24, 1,184 SRM beneficiaries were referred to potential employers across Mauritius. However, 602 of these individuals did not attend their scheduled interviews, and a further 74 declined the job offers extended to them. As a result, only 508 beneficiaries engaged meaningfully with the employment opportunities presented.

In the financial year 2024–25, the number of referrals to potential employers decreased to 929. 118 beneficiaries did not attend interviews, and six beneficiaries refused the job offer.

This clearly reflected a lack of engagement from some beneficiaries in seizing employment opportunities, thus reducing the effectiveness of employment facilitation initiatives.

Ministry's Response

NEF notes that while training programmes were delivered to SRM beneficiaries, the overall impact on sustainable livelihoods and poverty graduation remains limited. It is also important to recognise that the onus of employment ultimately rests with the employer and NEF has no control over employer selection decisions during interviews or recruitment.

(vi) Low Transition from Training to Mainstream Society Integration

During the period 2018 to 2024, NEF facilitated the training of 108 SRM beneficiaries at MITD, following which 14 graduated from the poverty threshold. Table 9 refers.

Table 9: MITD Training Outcomes for the Period 2018 to 2024

Fields of Training	Beneficiaries Trained	Beneficiaries graduated from poverty
Essentials in Beauty Therapy services	11	1
Fabrication of Aluminium openings	23	6
Essentials of Housekeeping	18	0
Basic Pastry Preparation	30	2
Electrical Installation	21	5
Plumbing and pipe fitting	4	0
Textile Product Design & Manufacture	1	0
Total	108	14

Source: NAO Analysis based on File Reviews at the Social Integration Division

The limited success in training outcomes, with only 14 out of 108 beneficiaries graduating from the poverty threshold, suggested that while training was delivered, it did not sufficiently translate into sustainable livelihoods, indicating that the training programs might not be effectively preparing beneficiaries for the job market.

This called for a comprehensive review of the training programmes to identify and address any gaps in their design and implementation.

Ministry's Response

NEF recognises that stronger monitoring, better alignment of training with labour market needs and more structured follow-up with beneficiaries are key to improving outcomes and supporting the sustainable integration of vulnerable households. NEF remains committed to aligning courses with labour needs, provide stronger support and follow-up for beneficiaries,

improve monitoring and evaluation and strengthen partnerships with Ministries, training providers and employers.

Consequences: With very few households actually graduating from poverty, the core objective of breaking the cycle of poverty remained unachieved, with households continuing to depend on social programmes and schemes.

The low rate of vulnerable citizens graduating from poverty might indicate that social integration and empowerment programmes/schemes were not adequately addressing the needs of households.

Moreover, the challenges encountered by various stakeholders reflect systemic weaknesses in empowerment programmes and training affecting the impact of poverty alleviation efforts and increasing the risk of greater inequality for SRM families.

Root Causes: The training dispensed was not aligned with labour market demand. There was no systematic evaluation of whether training actually led to income generation. The low success rate of training indicated a combination of skills mismatch, inadequate post-training support, socioeconomic constraints and weak job market linkages.

The lack of engagement from the beneficiaries could be because of limited counselling and follow-up which might reduce beneficiaries' readiness and motivation to attend interviews or accept offers.

Conclusion

The Ministry has, in all material respects, complied with the provisions of the Social Integration and Empowerment Act as it has established empowerment programmes and schemes aimed at combating absolute poverty and promoting social integration.

However, despite the launch of multiple training and empowerment initiatives, their fragmented execution, poor coordination, and limited beneficiary engagement severely constrained the integration of vulnerable households into mainstream society.

The initiatives lacked strategic alignment with beneficiary needs and labour market demands, resulting in low uptake and limited success of mainstream integration. A shift towards structured monitoring and evaluation, stronger partnerships, and outcome-focused planning was essential to achieve meaningful poverty reduction.

Recommendations

There is a need for a comprehensive review and redesign of the training programmes to better address the needs and challenges faced by the beneficiaries.

The Ministry should, in collaboration with relevant stakeholders, develop and implement a detailed plan for the delivery of training programmes with clearly defined timelines and responsibilities.

The Ministry should implement a robust evaluation mechanism that includes regular assessments, feedback analysis, and post-training follow-up mechanisms, which could help in identifying and addressing gaps more effectively. A monitoring committee could be set up to oversee the implementation of social integration and empowerment initiatives, ensure regular follow-up, address gaps and resolve bottlenecks in a timely manner.

3.4 Institutional and Monitoring Arrangements for the Implementation of Social Integration and Empowerment Programmes

Criteria: Section 5 (1) of the Social Integration and Empowerment Act states that the Minister may assign to the National Empowerment Foundation, or to such other body as he may determine, responsibility for –

- a) identifying persons living in absolute poverty and assessing their needs;
- b) implementing and harmonising any integration and empowerment programme or scheme;
- c) monitoring and evaluating any empowerment programme or scheme;
- d) keeping under review any change in the social or financial circumstances of any person who is receiving support;
- e) entering into an agreement with any person for the provision of support and other services, and for monitoring and evaluating compliance with such agreement; and
- f) such other matters as may be necessary for the proper implementation of this Act.

(2) Where the Minister assigns any responsibility referred to in subsection (1) to any body other than the NEF, any reference in this Act to the NEF shall be construed as including a reference to that other body.

(3) The Minister may issue to the appropriate stakeholders such general directives as may be necessary for the proper implementation of this Act.

Situation Found: NEF was established in July 2008 as a private company owned by the State under the Companies Act. According to the Constitution¹³ of NEF, the objects for which the company was established are:

- a) To enhance employability of those currently unemployed through training and reskilling.
- b) To encourage entrepreneurship and improve the capacity and competitiveness of small and medium enterprises.
- c) To provide support to low-income and vulnerable groups to enable them to take advantage of the opportunities of the economic and social development.
- d) To enter into agreements with third parties approved by the Board for the execution of such Programmes as shall be entrusted to the Company by the Minister in accordance with its socio-economic policy.

¹³ The Constitution of National Empowerment Foundation is the foundational legal document that governs its structure, objectives, and internal rules as a company incorporated under the Companies Act 2001 of Mauritius.

- e) To efficiently manage the Funds entrusted to the Company by Government and/or other parties towards the promotion of the objects of the Company.

The Social Integration and Empowerment Act 2016 later codified NEF's role in promoting social integration and empowerment of persons living in absolute poverty.

The Ministry assigned the National Empowerment Foundation the responsibilities to execute/implement the programmes/projects entrusted to it by the Ministry through an MoU. Issues related to the assignment of responsibilities to NEF are discussed in the following sections.

3.4.1 Delay in Renewal of Memorandum of Understanding

In line with the Constitution of NEF, the Foundation is required to enter into a Memorandum of Understanding (MoU) with the Ministry for the provision of funds to support programme implementation. An MoU was signed between NEF and the Ministry on 18 March 2022. The agreement, valid for a period of three years, expired in March 2025.

The Board of NEF was reconstituted in June 2025, and on 17 July 2025, the Board resolved that the MoU be renewed on an annual basis over a period of three years, with effect from 17 July 2025. A new MoU for one year was signed on 15 August 2025, more than five months after the expiry of the previous agreement. The effective date of the MoU was as from the date of signing of the document by the Ministry and NEF.

Consequence: The lapse of more than five months between the expiry of the previous MoU and the signing of the new one created a period without a formal governing framework to regulate the collaboration between the Ministry and NEF.

Root Cause: The delay in renewing the MoU was mainly due to inadequate governance and oversight mechanisms, coupled with insufficient forward planning and coordination between the Ministry and NEF.

Recommendation

To uphold accountability, the Social Integration Division should ensure that NEF's activities undertaken between March and mid-August 2025 are formally covered through an addendum to the renewed MoU. All future MoUs should be renewed before the expiry of the existing agreements to maintain continuous legal and operational coverage.

Ministry's Response

Action for renewal was initiated in February 2025. In March 2025, in view of the fact that the NEF Board was yet to be constituted, the Social Integration Division was requested to follow up in due course with NEF once the Board was in place. The Board, at its first sitting held on 17 July 2025, resolved that the MoU be renewed. Administrative approval for same was obtained on 15 August 2025.

3.4.2 Inadequate Oversight over NEF Programmes/Schemes

In accordance with the signed MoU, NEF is required to:

- Submit to the Ministry by mid-August of each financial year a detailed Action Plan duly approved by the Board of Directors for the implementation of programmes/projects specifying targets for each field of activity.
- Submit, at latest by the tenth of each quarter, progress reports on programmes/projects/items as approved in the Action Plan.

NEF submitted monthly progress reports to the Finance Section of the Social Integration Division in respect of forecasted and actual expenditure based on which funds were released to NEF. These reports were examined at the level of the monthly Budget Monitoring Committee prior to the release of funds.

Records at the Social Integration Division were perused for the financial years July 2022 to June 2025. The Action Plans submitted by NEF to the Social Integration Division, consisted mainly of budget estimates classified under Salary and Allowances, Administrative costs, Other Projects and Capital Expenditure. Targets for each field of activity were not specified in the 'Action Plan'.

Quarterly progress reports on approved programmes/projects were not available at the Social Integration Division. NEF carried out budget monitoring exercises and submitted reports on funds disbursed. It did not report on the delivery of outputs/achievement of targets for each programme/project/item.

Consequence: The absence of regular progress reports from NEF and reporting limited to financial disbursement only indicated that programme implementation was not being adequately monitored.

Root Cause: There was insufficient commitment from the Ministry to ensure effective oversight of responsibilities assigned to NEF. The Ministry was not proactive in monitoring the implementation of programmes.

Conclusion: The Ministry has not fully complied with the provisions of Section 5 of the Social Integration and Empowerment Act.

Recommendation

The Ministry should strengthen its monitoring and evaluation framework to ensure that NEF submits its quarterly progress reports covering both financial and non-financial indicators.

3.5 Extension of Contract Duration and Re-certifications of Beneficiaries

Criteria: Section 8 of the Social Integration and Empowerment Act states that

- (1) Where a person who is found to be eligible for support under section 7(3) agrees to receive it, he shall, before doing so, enter into an agreement, with the Ministry, which shall be known as a social contract.
- (2) A social contract shall be for a limited duration and for a specific purpose.
- (3) Where there is any change in the social or financial circumstances of a person who receives support, he shall, as soon as possible, inform the supervising officer of such change.

Situation Found: The Marshall Plan Social Contract (MPSC) was a foundational component of the Marshall Plan Against Poverty. It formalised the agreement between the Ministry and eligible households, tying financial assistance and empowerment schemes to a commitment from beneficiaries to participate in programmes that would help them exit poverty.

The core conditions of the Social Contract related to four main pillars, namely education of children, economic empowerment, health care and family empowerment. While the MPSC was designed to be a key empowerment tool, it also faced several potential challenges, as highlighted in subsequent paragraphs.

3.5.1 Extension of Contract Duration Without Legal Vetting

The Social Integrations and Empowerment Act did not specify a fixed length or maximum period for the “limited duration” of a Social Contract.

Prior to April 2022, a social contract was valid for a period of 12 months and could be extended for another 12 months, subject to the beneficiary being found compliant after an assessment. The Attorney General’s Office vetted the contract in 2020 and 2021.

Given that poverty was multi-dimensional and in order to enable NEF to provide empowerment support to the SRM beneficiaries for them to graduate out of poverty in a sustainable manner,

the MPSC was revised in April 2022. The social contract was extended to cover 24 months as from its date of signature by both Parties and might be extended for an additional period of 12 months from the date of expiration of the present contract, subject to the beneficiary being found eligible after a re-assessment exercise.

On the recommendation of the Social Integration Division, the then Minister approved the amendment on 31 March 2022. However, the revision of the contract duration from 12 to 24 months with the additional 12 months extension was executed without seeking the advice of the Attorney General's Office to determine whether the contract was legally in order.

Consequence: There was a risk that the Ministry might not be in compliance to section 8(2) which stipulated that social contract should be of limited duration.

Root Cause: The Ministry did not deem it important to seek the advice of the Attorney General's Office, placing overreliance on management discretion.

Ministry's Response

The Ministry has defined the limited duration of a Social Contract as two years, with the possibility of an extension of one additional year if warranted given that empowerment is a long-term process. By granting a two-year duration, the aim is to provide households with the continuity and security they need.

The approval of the Attorney General's Office will be sought henceforth for any change that might be brought to the Social Contract.

3.5.2 High Rate of Contract Extension and Renewal

Although the signed contracts were for a limited duration, it was observed that they were often renewed subsequently, or existing beneficiaries would make fresh applications to be re-registered in the SRM and thus to continue to benefit from support after successful assessment by Higher Social Security Officers of the Social Security and National Solidarity Division.

Contract Extensions – As per NEF practice/guidelines set, each household was required to meet more than 75 per cent of the conditions stipulated in MPSC to be compliant with the Social Contract.

Audit reviewed the compliance reports submitted by NEF to the Social Integration Division from April 2024 to September 2025 and found that, on average, more than 98 per cent contracts that reached the term of 24 months were extended for another 12 months. Table 10 refers.

Table 10: Extension of MPSC for another Twelve Months

Contracts expiring (after 24 months)	Number of Households	Households Recommended for Extension of Contract	Percentage
Apr-24	126	126	100
May-24	58	58	100
Jun-24	82	82	100
Jul-24	150	149	99
Aug-24	162	159	98
Sept-24	84	75	89
Oct-24	45	44	98
Nov-24	70	70	100
Dec-24	93	92	99
Jan-25	250	250	100
Feb-25	823	810	98
Mar-25	423	414	98
Apr-25	477	448	94
May-25	275	261	95
Jun-25	197	186	94
Jul-25	60	58	97
Aug-25	202	199	99
Sept-25	330	320	97

Source: NAO Analysis based on File Reviews at the Social Integration Division

It was noted that when a social contract was renewed for one additional year, the head of household was not required to sign any addendum to the contract stating that the contract was extended for another year and that the latter was required to comply with the conditions of MPSC.

The social contract clearly mentioned that the contract shall to be valid for a period of 24 months as from date of signature of the contract by both parties. Any extension beyond this period without the consent and signature of the beneficiary might render the extended arrangement legally unsupported.

Contract Renewals – After the 3-year period and expiry of the MPSC, those who did not graduate from poverty were no longer eligible to receive support. Households were requested to proceed to the Regional Social Security Offices for a recertification exercise.

Re-certification of SRM Households refers to the structured process by which households already registered in the SRM are reassessed to confirm whether they still meet the eligibility criteria to benefit from support under empowerment schemes and allowances. According to the Ministry’s records, from January 2024 to June 2025, there were 1,655 households that exited the SRM system, and there were 630 recertified cases for Mauritius and Rodrigues in the said period. Table 11 refers.

Table 11: Time-Bound Social Contracts: SRM Exit and Re-certifications

Number of households that exited SRM

Months	2024	2025
January	133	90
February	183	72
March	178	85
April	98	62
May	69	131
June	109	74
July	78	
August	100	
September	47	
October	69	
November	34	
December	43	
Total	1141	514

Number of Recertified Cases

Months	2024	2025
January	87	9
February	105	16
March	112	21
April	63	-
May	68	9
June	41	10
July	35	
August	15	
September	18	
October	8	
November	4	
December	9	
Total	565	65

Source: Ministry of Social Integration, Social Security and National Solidarity

The Social Contracts of these households were renewed for another two years, with the possibility of extension for another year.

Household registered in the SRM for a long period – As of May 2025, more than 1,500 households registered between 2016 and 2020, across Mauritius and Rodrigues, remained eligible under MPSC and were still registered in the SRM. Of these, 736 households were located in Mauritius. Table 12 refers.

Table 12: Number of Households Eligible under MPSC since 2016 to 2020

Year	Mauritius	Rodrigues	Total
Since 2016	343	379	722
Since 2017	106	132	238
Since 2018	122	109	231
Since 2019	105	129	234
Since 2020	60	82	142
Total	736	831	1,567

Source: File Review – Social Integration Division

As of May 2025, 722 households remained in poverty despite being registered in the SRM since 2016 and benefiting from financial and empowerment support. Of the eligible households who signed MPSC in 2020, 142 remained eligible and were being paid subsistence allowances and benefitting from empowerment support schemes.

Consequences: The high rate of contract extensions and re-registrations/renewals suggested that the social contract mechanism was not effectively achieving its primary goal of enabling households to graduate from poverty.

Root Cause: There was no robust mechanism or clear framework for assessing and facilitating household graduation from poverty. Monitoring focused mainly on compliance reporting (percentage of conditions met) than assessing the actual socio-economic progress of beneficiaries.

Conclusion: While the Ministry has operationalised the Social Contract and scaled its duration, limited impact on poverty graduation suggests that the spirit and statutory intent of Section 8 – ensuring time-bound and purpose-driven empowerment – has not been fully upheld.

Recommendations

The Ministry should:-

- Ensure mandatory vetting of the Attorney General’s Office for all contract period extensions to uphold statutory compliance.
- Strengthen its monitoring and evaluation framework, focusing more on household progress than only on compliance with the metrics, with the objective that social contracts should be for a limited duration.

- Investigate the root causes of why many beneficiaries have not graduated from poverty despite benefiting from support over several years.
- Ensure that, whenever a social contract is extended, an official addendum or renewal agreement is duly prepared and signed by both the head of household and the authorised officer to formalise the extension. The addendum should clearly state the new validity period and reaffirm the obligations and conditions under the MPSC.

Ministry's Response

The Ministry carried out an analysis in July 2025 to determine how many households remained in the SRM from 2016 to 2020. Findings from the 2016 cohort indicate that although the social contract has promoted social integration and basic stability, many households still face barriers to sustainable livelihoods, including high dependence on social benefits, unstable employment, health challenges, and housing insecurity, thereby impacting on the graduation rate from poverty.

The Ministry will, going forward, seek the advice of the Attorney General's Office to determine whether an official addendum will be required for each extension, ensuring full statutory compliance while continuing to safeguard the dignity of well-being of beneficiaries.

3.5.3 Inadequate Implementation of Case Management

Case management under the MPSC is a core operational mechanism designed to ensure that beneficiaries receive continuous guidance, monitoring, and follow-up support. Data and information derived from Case Management are the keystones in tracking progress and performance as a basis for decision-making at various steps in the process and monitoring of MPSC implementation.

The social contract includes a commitment to provide personalized support to families through a case management approach, with Case Management Officers helping to mentor and guide them. Para 3.3 of the MPSC states that Officers of NEF are responsible for:

- Accompanying, guiding, advising and supporting the Beneficiary on the elaboration of the Family Development plan, meeting the Contract's requirements as well as on the available Complementary Services;
- Referring the Beneficiary to core service providers and ensure proper follow-ups;
- Monitoring the family's progress by means of regular visits as mentioned at paragraph 2.5(iii);
- Collecting feedback from the family regarding concerns and problems about its participation in the Programme;

- Monitoring periodically the compliance of the Beneficiary with the conditions of this Contract and progress achieved by the family during the term of this Contract; and
- Reviewing the compliance to the conditions of this Contract and progress achieved by the family after a period of one year of the signing of the Contract.

Case management was carried out by Community Project Officers (CPOs) of NEF who played a crucial role in this system. Paragraph 2.5 (iii) of the MPSC stated that the Beneficiary should receive periodic visits – monthly in the first six months, and every two months after that period from Officers of the Foundation, who would provide guidance and support to the beneficiary.

Hence, as per the conditions of the MPSC, a total of 15 case management visits should be conducted over two years, that is, six in the first six months and nine in the remaining one and a half years.

Situation Found: NEF did not carry out sufficient visits to each household individually for needs assessment, understanding issues and then provide them with the necessary support. Insufficient case management visits implied that the needs and progress of households were not adequately tracked and evaluated, hence delaying their graduation from poverty. Failure to conduct the required number of visits represents non-adherence to MPSC provisions, reducing accountability and oversight.

In the first six months, CPOs were mandated to visit eligible households each month. From a review of the 6-month compliance report ending March 2025, it was noted that out of the 318 visits expected to be carried out at 53 households, only 214 visits were undertaken.

Similarly, the 12-month compliance report ending March 2025 revealed that only 1,344 visits were made to 174 households instead of the expected visits of 1,566 in the first year of signing the social contract.

Case Management visits during the 24-month contract period – A sample of two-year Compliance Reports for households whose contracts expired in January to September 2025 was examined, and it was found that case management visits were mostly below the required 15 visits, as shown in Table 13.

Table 13: Households with less than 15 Case Management Visits

Contracts Expiring in 2025 Months	Recommended Households	Households with 15 visits	Households with < 15 Visits	% of Household with < 15 Visits
January	52	n/a*	n/a*	
February	150	75	75	50%
March	206	76	130	63%
April	297	91	206	69%
May	183	39	144	79%
June	176	42	134	76%
July	38	16	22	58%
August	91	21	70	77%
September	229	65	164	72%

* n/a: not available

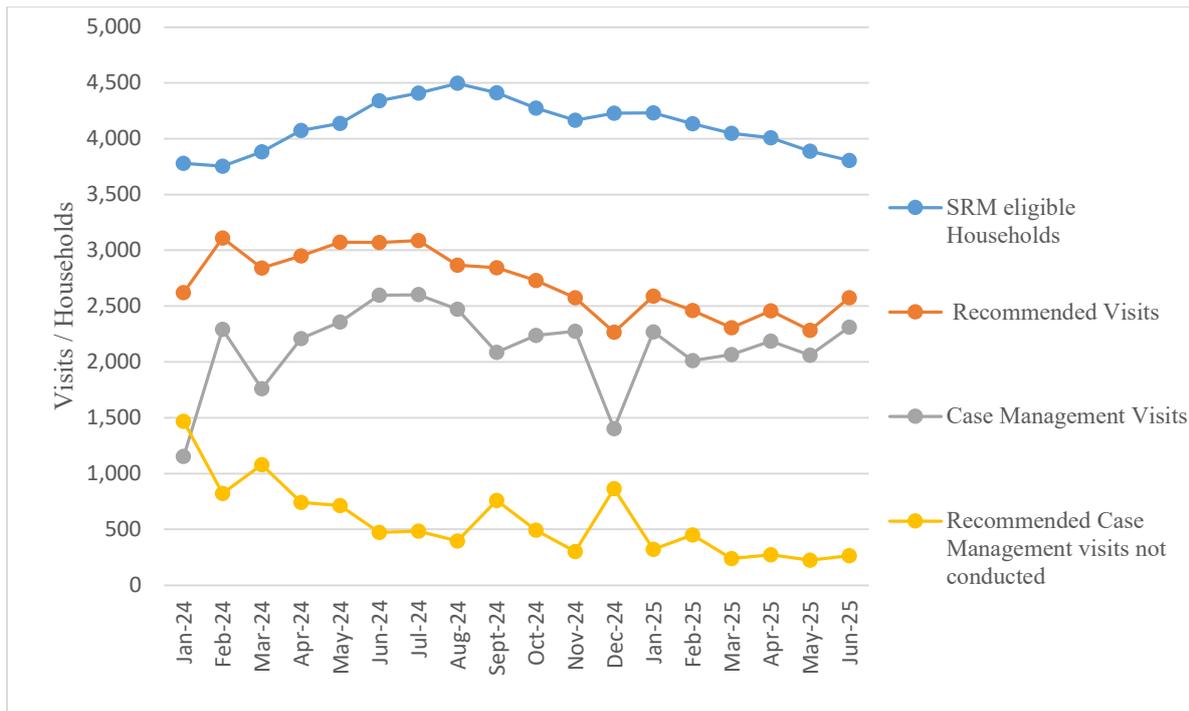
Source: NAO Analysis of Monthly Compliance Reports

From February 2025 to September 2025, the percentage of households receiving fewer than 15 visits ranged from 50 per cent to 79 per cent, indicating systemic underperformance carrying out visits. Six households received less than six visits during the period.

Monthly Case Management Visits Outcome – Eligible Households in Mauritius increased from 3,779 in January 2024 to a peak of 4,497 in August 2024 and then declined to 3,806 in June 2025. During this period, NEF could not meet all of its recommended case management visits to eligible SRM beneficiaries.

In the months of January, March and December 2024, there were gaps in service delivery, with some 40 per cent of recommended visits not met.

In January and March 2024, over 1,000 of the recommended visits could not be achieved. For the period January 2024 to June 2025, on average, the progress of 575 households was not being regularly monitored through case management. Figure 3 refers.



Source: NAO Analysis of Monthly Case Management Reports

Figure 3: Case Management Trends (January 2024-June 2025)

The reasons advanced by NEF for insufficient case management visits were a shortage of staff, which led to backlogs in scheduled visits and reduced coverage of households.

NAO findings revealed that for the region of Plaine Wilhems (Lower), the ratio of CPO to caseload was 1:72, with six CPOs responsible for the case management of 433 households, whilst in Moka, five CPOs were responsible for visits of 224 households, representing a ratio of 1:45 CPO to caseload for this district. The ratio of CPO to caseload as of September 2025 is depicted in Table 14.

Table 14: Caseload Assigned to CPOs as of September 2025

District	Number of Households	Number of CPOs per District	Number of CPOs on Long Leave	Ratio of CPO to Caseload per District
Black River (Upper)	265	5	-	1:53
Black River (Lower)	186	3	-	1:62
Flacq	341	6	-	1:57
Grand Port	523	9	-	1:58
Moka	224	5	-	1:45
Pamplemousses	455	7	1	1:57
Plaine Wilhems (Upper)	242	4	-	1:61
Plaine Wilhems (Lower)	433	5	1	1:72
Port Louis (Upper)	338	6	1	1:48
Port Louis (Lower)	417	7	-	1:60
Riviere du Rempart	143	3	-	1:48
Savanne	220	4	-	1:55
Total	3,787	64	3	

Source: National Empowerment Foundation

CPOs collected information through visits manually, that is, on paper and same was entered in electronic format by the officers. Paper-based reporting consumed significant time and could create administrative backlogs.

In some cases, the reason given for visits not conducted was a lack of paper due to which monthly forms were not available. For each visit, CPOs were required to filled the ‘Report on Monthly Case Management Follow-up’.

Consequences: Inadequate field visits, heavy caseloads, and manual reporting processes had weakened the NEF’s ability to deliver support and monitor progress effectively.

Root Cause: The Ministry did not have an effective and robust mechanism to monitor compliance with the case management requirements of the MPSC.

Recommendations

The Ministry should enhance its oversight of NEF Case Management activities by establishing appropriate supervisory and accountability mechanisms to ensure visits are carried out as

regularly as stated in the Marshall Plan Social Contract to track progress and so that beneficiaries are promptly connected to services and empowerment programmes.

The Ministry should explore digitising NEF case management processes by introducing electronic data entry tools such as tablets, taking as example the recent Household Budget Survey conducted by Statistics Mauritius, to record visits in real time and reduce manual data entry delays.

Ministry's Response

In addition to case management visits, NEF implements a wide range of complementary projects including housing support, life skills development, vocational training, and recreational activities which are essential for the holistic empowerment of vulnerable households. These initiatives are inherently time-consuming but are critical in addressing the multiple dimensions of poverty and providing families with the tools and opportunities to improve their lives.

The dedication of staff to both individual household support and broader empowerment programmes reflects the Ministry's commitment to nurturing resilience and dignity among the most vulnerable, even when completion rates for visits may be affected by these broader, life-changing activities.

The Ministry recognises that gaps in case management visits may have consequences for the timely support and progress of households. To address this, the Ministry acknowledges the need to strengthen NEF and its own Monitoring and Evaluation Section with additional staff to enable closer supervision, more robust oversight and timely interventions.

3.6 Changes in the Social or Financial Circumstances of Beneficiaries

Criteria: Section 8 of the Social Integration and Empowerment Act requires a person who is found to be eligible for support under the SRM to enter into an agreement with the Ministry, which shall be known as a social contract (commonly referred to as the Marshall Plan Social Contract).

Where there is any change in the social or financial circumstances of a person who receives support, he shall, as soon as possible, inform the supervising officer of such change.

Section 9 of the Act allows the Minister to suspend, cancel or terminate a support provided to a beneficiary where the latter is otherwise not abiding by his social contract and where there is any change in the social or financial circumstances of the beneficiary.

3.6.1 Beneficiaries Exceeding Income Eligibility Threshold after Drawing Pension

Situation Found: Over the past years, NAO reported several cases of household income of beneficiaries exceeding the eligibility threshold. In its audit report for the financial year 2020-21, NAO highlighted that, in 33 cases where members of eligible households attained the age of 60 as at 30 June 2021 and were drawing the Basic Retirement Pension, beneficiaries were being paid the monthly subsistence allowance.

Subsequently, the Social Integration Division sought the advice of the Solicitor General in December 2021 on whether it could proceed with an eligibility re-assessment exercise during the currency of an MPSC and make amendments therein.

The Solicitor General drew the attention of the Ministry to the following:

- The 33 cases of households having exceeded the threshold ought to have been uncovered by the Case Management Officers of NEF, as the MPSC required these officers to monitor compliance of the beneficiaries with the conditions of the contract.
- As per the conditions of the MPSC, beneficiaries agreed to update the Ministry of any change in their income, failing which their subsistence allowance might be suspended, cancelled or terminated for non-compliance with the terms of the MPSC, which also authorised the Ministry to take up any action it deemed fit if the Beneficiary did not comply with the conditions stipulated in the contract.

- The Ministry was seeking legal advice as to whether it could proceed with an eligibility re-assessment exercise during the currency of an MPSC and make amendments therein. The legality of the proposed course of action was self-evident.
- The MPSC provided that “The beneficiary shall comply with such other terms and conditions that the Foundation may, on behalf of the Ministry, communicate in writing to the Beneficiary as and when so required, provided reasonable notice was given to the beneficiary.”

NAO further highlighted, in its report for the financial year 2023-2024, that from July 2022 to August 2023, the Social Integration Division did not obtain a list of household members receiving Basic Retirement Pension, which resulted in the overpayment of Subsistence Allowances amounting to Rs 401,667 to 26 household beneficiaries for the period July to September 2023.

The Ministry informed NAO that, as of September 2023, a list of beneficiaries receiving Basic Retirement Pension was being submitted, on a monthly basis, to the Social Integration Division and that necessary verification was conducted prior to the preparation of paysheets for subsistence allowance.

In addition, during the Budget Speech 2025-26, it was announced that the age eligibility for Basic Retirement Pension was being increased to 65 years, on a phase-wise basis over a period of five years. In this context, the Government decided to provide, with effect from September 2025 and subject to applicable conditions based on income, a monthly Income Support of Rs 10,000 to those individuals who would no longer be eligible for the Basic Retirement Pension.

The MRA was entrusted with the responsibility of putting in place a system for the payment of the Income Support to eligible persons.

The Social Integration Division informed that it would request the Social Security and National Solidarity Division to provide the list of persons attaining the age of 60 years and the income support provided, along with the amount of Basic Retirement Pension being paid, if any, with a view to know whether they were still eligible for payment of subsistence allowances and other empowerment schemes.

However, the Ministry was facing difficulties in obtaining information from the MRA as the Ministry did not have a formal data-sharing protocol in place. Besides, in the absence of a structured verification mechanism to cross-check beneficiaries’ eligibility based on age and pension status, there was the risk of recurring overpayments if inter-agency data sharing was not timely or comprehensive.

Consequences: The continued payment of subsistence allowance to ineligible households constituted non-compliance with the statutory framework, creating inequality as ineligible households continued to receive benefits while eligible low-income households might remain unsupported.

The fact that households continued to receive support despite changes in pension status indicated deficiencies in the monitoring mechanisms, particularly the failure of Case Management Officers to detect changes in beneficiaries' circumstances. The failure to reassess eligibility during the contract period reflected weak enforcement of statutory and contractual provisions.

Root Cause: The Ministry showed insufficient oversight and commitment regarding the Social Integration and Empowerment framework, failing to adequately ensure that eligibility requirements were met. The Ministry did not institute a robust mechanism to routinely verify beneficiary eligibility, suggesting a reactive rather than proactive approach to governance and control over social assistance schemes.

There were inadequate monitoring and follow-up of beneficiaries' socio-economic situations by Case Management Officers, despite the MPSC requiring regular compliance checks.

Recommendations

The Ministry should enforce beneficiary compliance provisions under the MPSC and the Social Integration and Empowerment Act, including suspension or termination of allowances for failure to declare income changes.

The Ministry should establish a formal data-sharing protocol between its Divisions and with relevant stakeholders to enable automatic and updated verification of income changes of beneficiaries, particularly when any pension is being received by any of them and more so, given the policy changes announced during Budget Speech 2025-2026.

Ministry's Response

Starting September 2023, remedial actions were implemented, with the SRM unit submitting the Basic Retirement Pension earners' list. Since then, these recipients have been excluded from receiving payments.

3.6.2 Beneficiaries Exceeding Income Eligibility Threshold after Formal Employment

Situation Found: In August 2024, following an audit query for the financial year 2023-24, the SRM Unit submitted to the Ministry a list of beneficiaries who were currently working in the

formal sector and who were receiving support from the Ministry. The list was processed at the Social Integration Division and was verified with NEF data.

After removing duplicates and matching the list with the SIMIS database, 1,284 household beneficiaries (540 households in Rodrigues and 744 households in Mauritius) were identified in October 2024 as no longer eligible to receive financial support from the government as their salary exceeded either the poverty threshold or assessed income or both. A monthly subsistence allowance of Rs 3.5 million in Rodrigues and Rs 4 million in Mauritius was still being paid to the beneficiaries.

Since Section (9)(1)(d) of the Social Integration and Empowerment Act allows suspension, cancellation or termination of the support provided to a beneficiary where there was a change in the social or financial circumstances of the beneficiary, the Ministry sought legal advice in November 2024 and proposed to terminate the payment of the allowance by way of a Notice.

Many households did not notify the Ministry or NEF of their socio-economic changes, which were in breach of the conditions of their Social Contract. The MPSC required the beneficiary to call at the nearest Social Security Office for updating of information concerning any change in family status, change in income, job status and residential. Failure to notify within fifteen days of such changes might lead to the suspension, cancellation or termination of support.

On 21 November 2024, the Solicitor General advised the following:

- To the extent that the income of the beneficiaries had exceeded the threshold of Rs 14,650 and also the beneficiaries were not complying to the conditions contained in the social contract, the Ministry might terminate the Marshall Plan Social Contract in accordance with Section 9 of the Social Integration and Empowerment Act after giving notice to the beneficiaries to show cause.
- The draft notice submitted to the Solicitor General for review was legally in order.

The Ministry, however, withheld termination actions pending further inquiries and review of the continuous employment period of beneficiaries.

At a Senior Management Meeting on 16 April 2025, it was proposed that support be extended for 12 months after entering formal employment to avoid abrupt termination. It was decided that the Social Contract of the beneficiary would be stopped only if the following criteria were met:

- The applicant had been in formal employment for a continuous period of 12 months with the same employer; and
- The period of 12 months fell within the duration of the MPSC.

This transitional policy would allow beneficiaries who recently entered formal employment to continue receiving support for a period of one year until their employment was confirmed and stabilised. It would serve as a safeguard to promote sustainable integration into the labour market and prevent premature withdrawal of support. However, the Ministry needed to define the scope, methods, action plan and monitoring for this new policy.

As of July 2025, the Ministry was still working on a mechanism for tracking and monitoring households in formal employment and suspending payments for household beneficiaries who had maintained continuous employment with the same employer for 12 consecutive months.

Consequence: The absence of a robust system to track and verify changes in the employment and income status of beneficiaries resulted in the disbursement of public funds to ineligible households, amounting to significant monthly payments, creating inequality and inconsistency in eligibility assessment as continuous employment with the same employer for less than 12 consecutive months was not a criterion used to assess eligibility when applying for registration in the SRM.

Root Cause: The Ministry did not have a robust mechanism to cross-check the employment and income data of beneficiaries. Existing information systems were not designed nor subsequently enhanced to capture dynamic changes in beneficiaries' income or employment status, reflecting limited institutional commitment and delayed policy action to strengthen verification controls.

Conclusion

The Ministry has not fully complied, in all material respects, with the provisions of Section 9 of the Social Integration and Empowerment Act.

Recommendations

In cases where beneficiaries have obtained employment in the formal sector, the Ministry should, as soon as possible, suspend support provided in line with the requirements of the Social Integration and Empowerment Act.

The Ministry should expedite the finalisation and implementation of a robust mechanism for tracking and monitoring households engaged in formal employment, with a focus on ensuring the timely suspension of subsistence allowance for beneficiaries who no longer meet eligibility requirements.

The Ministry should ensure that the forthcoming e-Social Security system capture and update changes in beneficiaries' income, employment, and household circumstances.

The Ministry should develop clear operational procedures defining how continuous employment should be monitored and how eligibility decisions will be enforced to ensure consistency and fairness in the application of the SRM criteria.

Ministry's Response

The Ministry is looking into the possibility of adopting a policy decision to suspend the payment of subsistence allowance to households where a member has been employed in the formal sector with the same employer for a continuous period of 12 months.

To facilitate this transition, a monitoring system has been established to track the employment status of beneficiaries working in the formal sector. To this effect, the Ministry is cross-referencing employment data from the Mauritius Revenue Authority. Additionally, a monthly list of individuals receiving the Basic Retirement Pension is provided to the Social Integration Division.

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CHAPTER FOUR

CONCLUSION

This chapter provides the overall conclusion based on the analysis and findings supported by audit evidence, as elaborated in the previous chapter.

Poverty in Mauritius continues to affect a segment of the population. In response, the Government enacted the Social Integration and Empowerment Act 2016 to establish a legal framework to provide financial support and empowerment schemes to persons living in absolute poverty aiming to support their integration into mainstream society. These schemes have broadened social protection coverage, with some Rs 4.2 billion spent on social integration and empowerment of vulnerable households from July 2016 to June 2025.

Despite positive developments and the establishment of support schemes to reduce poverty, the implementation of integration and empowerment initiatives for beneficiaries in the Social Register of Mauritius (SRM) is hindered by significant systemic and operational gaps.

The Ministry's approach was largely passive, relying on self-registration rather than proactive outreach and identification of those most in need, thus undermining the inclusiveness of national poverty alleviation efforts. The Ministry did not sufficiently plan for the upkeep and maintenance of the SRM.

Weak inter-agency data-sharing arrangements and administrative delays hindered the effective verification of applicants' income and assets. In addition, the continued reliance on an outdated Proxy Means Test compromised the accuracy of eligibility assessments.

Notwithstanding ongoing social integration and empowerment initiatives, the rate at which households moved out of poverty remained low. Statistics indicated that a significant proportion of beneficiaries continued to rely on social support without achieving sustainable economic self-reliance. There was a significant gap between the number of households in need and those actually benefiting from social assistance schemes.

The repeated renewal of contracts or re-registration of the same beneficiaries in the SRM suggested that the social contracts were not achieving their intended objective of empowering households to graduate sustainably from poverty. NEF could not meet the prescribed frequency of case management visits, indicating incomplete data collection and weak performance reporting.

The inability to obtain updated pension data reveals weaknesses in beneficiaries' income verification. The continued provision of support to households that have obtained work in the formal sector reflects delays in enforcing the provisions of the Social Integration and

Empowerment Act and the absence of a mechanism to track changes in employment, thereby contributing to inconsistencies in the application of eligibility criteria.

The audit attributes these shortcomings to insufficient management oversight, gaps in implementation, monitoring and evaluation mechanisms, lack of technical capacity, and inadequate planning and follow-up at both the Ministry and implementing agency levels.

Defining the absolute poverty level for a household is crucial as it can assist in the determination of financial or income support for families in need and in guiding policymakers in the design of more targeted and effective support schemes.

Strengthening monitoring and evaluation frameworks, improving inter-agency data sharing, and ensuring that operational practices are fully aligned with the legislative intent of the Act are also critical. Only through these systemic reforms can Mauritius achieve meaningful social integration and empowerment for all vulnerable citizens, maximize the impact of public resources, and make tangible progress toward the Sustainable Development Goal of ending poverty in all its forms.

Based on the findings, NAO concludes that the Ministry of Social Integration, Social Security and National Solidarity has not complied, in all material respects, with the Social Integration and Empowerment Act 2016 for the period under review.

List of Empowerment and Educational Support Schemes

With a view to providing support and empowering vulnerable households, the Social Integration Division implements a number of empowerment programmes, schemes and activities in collaboration with the National Empowerment Foundation and key stakeholders.

For households who are found eligible under the Social Register of Mauritius, support under the following Schemes is provided:

- **Subsistence Allowance Scheme** – This is an income support that is being paid monthly to beneficiaries living below the absolute poverty threshold defined on a per capita basis to ensure that the basic needs of households are met.
- **Child Allowance Scheme** – The purpose of the Scheme is to provide a Child Allowance in respect of up to a maximum of 3 children per household as an incentive to encourage them to attend school regularly.
- **Crèche Scheme** – The purpose of the Scheme is to provide a Crèche Allowance in respect of children aged not less than 3 months nor more than 3 years, of households, as an incentive for their admission into registered institutions and to encourage unemployed mothers to take up employment or to undergo training.
- **Free Examination Fees Scheme** – The purpose of the Scheme is to provide an opportunity to children of households to have a second attempt, free of charge, at the examinations for the School Certificate (SC) or its equivalent General Certificate of Education (GCE) Ordinary, or Higher School Certificate (HSC) or its equivalent Advanced Level (A Level), as the case may be, irrespective of the outcome of their first attempt.
- **School Materials Scheme** – The purpose of the Scheme is to provide school materials such as bags, uniforms, shoes, copybooks and stationery to children aged not less than 3 years and not more than 23 years, as an incentive to motivate them to attend registered pre-primary, primary, secondary schools every academic year.
- **School Premium Scheme** – The purpose of the Scheme is to provide a school premium as an incentive for Children to pursue their studies and achieve higher levels of education. The Scheme applies to students who have passed the Grade 9 examinations; the School Certificate examinations or its equivalent General Certificate of Education (GCE) Ordinary; or the Higher School Certificate examinations or its equivalent Advanced level (A Level) or the final undergraduate examinations.

- **Social Housing Support** – With a view to ensuring a decent housing to vulnerable households eligible under the Social Register of Mauritius, the Social Integration Division implements the following Schemes:
 - (i) Fully Concrete Housing Scheme, which consists of the construction of a fully concrete housing unit of up to 50 square metres to eligible SRM households who are owners of a plot of land but do not have the means to build a housing unit;
 - (ii) 10% NHDC scheme, under which the National Empowerment Foundation acquires 10% of all new housing units constructed by the National Housing Development Company Ltd for SRM eligible households who are not owners of a plot of land; and
 - (iii) ‘Upgrading of Houses’ Scheme, which consists of minor renovation works to housing units of eligible SRM households.

- **Other Empowerment Support** – With a view to enabling eligible SRM households to move out of absolute poverty, other empowerment supports are also provided in terms of:
 - (i) Medical Screening;
 - (ii) Free Optical Glasses to SRM children aged up to 21 years old;
 - (iii) Provision of Free Diapers;
 - (iv) Provision of free Sanitary Towels to students of Grade 6 to Grade 13;
 - (v) Life Enhancement Education Programme;
 - (vi) Training for placement and employability;
 - (vii) Recreational Activities; and
 - (viii) Unveiling Talents.

Actual Expenditure: Poverty Alleviation and Empowerment
Social Integration Division
Financial Years 2016-17 to 2024-25

	2016- 2017	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	2022- 2023	2023- 2024	2024- 2025	Total
	Rs m									
Recurrent Expenditure - Social Benefits										
Empowerment Support Scheme	111.0	221.8	237.6	239.4	231.9	218.8	202.7	452.7	479.2	2,395.1
Educational Support	48.0	138.1	152.3	181.3	102.1	43.5	112.1	116.9	149.9	1,044.2
Total A	159.0	359.9	389.9	420.7	334.0	262.3	314.8	569.6	629.1	3,439.3
Recurrent Expenditure – Grant to NEF										
Upgrading of Living Environment	-	3.0	3.0	3.0	1.0	1.0	0.7	0.7	0.6	13.0
Life Enhancement Education Program	-	-	-	-	-	-	-	0.5	0.8	1.3
TVET Training & Placement	-	0.5	1.5	1.5	1.5	0.6	0.3	-	-	5.9
Schemes for unemployed beneficiaries	-	-	15.0	-	-	-	-	-	-	15.0
Other Programmes	-	-	-	10.9	7.2	8.8	8.5	15.1	11.8	62.3
Other Projects - Rodrigues	6.6	-	-	-	-	-	-	-	-	6.6
Total B	6.6	3.5	19.5	15.4	9.7	10.4	9.5	16.3	13.2	104.1
Transfers to Households (DCP)	23.1	65.5	3.4	7.5	10.0	-	-	-	-	109.5
Total C	23.1	65.5	3.4	7.5	10.0	-	-	-	-	109.5
Total A+B+C	188.7	428.9	412.8	443.6	353.7	272.7	324.3	585.9	642.3	3,652.9
Capital Expenditure – Grant (NEF)										
Social Housing	96.0	125.0	88.7	95.0	47.2	44.4	22.2	32.0	27.5	578.0
Integrated Information Management System	-	-	14.0	5.0	-	-	-	-	-	19.0
Total D	96.0	125.0	102.7	100.0	47.2	44.4	22.2	32.0	27.5	597.0
Grand Total (A+B+C+D)	284.7	553.9	515.5	543.6	400.9	317.1	346.5	617.9	669.8	4,249.9

Source: NAO Analysis of Accountant General Statement D1 and Treasury Abstract (2024-25)

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